

THE ROUND TABLE

A Quarterly Review of
**BRITISH
COMMONWEALTH
AFFAIRS**



Contents of Number 198

**THE FUTURE OF SOCIALISM
LABOUR IN THE WILDERNESS
THE IMPACT OF BROADCASTING
ACADEMIC APARTHEID
THE CENTENARY OF OIL
FEDERATION IN THE WEST INDIES
WHITE HOUSE SWEEPSTAKES
INDO-PAKISTANI RELATIONS**

And Articles from Correspondents in

**UNITED KINGDOM IRELAND INDIA PAKISTAN CANADA
SOUTH AFRICA AUSTRALIA NEW ZEALAND**

March 1960

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THE FUTURE OF SOCIALISM

DECLINING FORTUNES OF THE LABOUR PARTY

IN the greater part of the white Commonwealth Socialism is in something worse than eclipse: for eclipses are of calculable duration, and here the emergence from the shadows is not in sight. The exception is New Zealand, a pioneer of what is now called the welfare state, where Mr. Nash is securely in the saddle. In the Commonwealth of Australia Labour has lost five general elections in succession: it remains to be seen whether the Labour Government which holds a narrow majority in New South Wales has rescued the party by removing its Federal leader, Dr. Evatt, to the judicial bench. The peculiar social order of the Union of South Africa in effect relegates all radicalism to an extra-parliamentary sphere of activity. In Canada, though Social Credit and the Co-operative Commonwealth Federation retain their hold on their provincial strongholds in the west, their combined representation at Ottawa was all but annihilated in Mr. Diefenbaker's sweeping victory over the Liberals in 1958. And now the Labour Party in the United Kingdom, having lost ground at every general election since its triumph of 1945, confronts a third term of opposition with divided counsels and perhaps despondent hearts. Some at least of its leaders have ceased to speak as if they thought of themselves as an alternative government, ready to take office in 1963 or 1964.

This mood of pessimism may be as little justified, and as evanescent, as the excessive optimism that convinced the party after the Suez episode that the ripe fruit of office would drop into their laps at the next puff of the electoral breeze. In the article following this a detached observer of current politics surveys the strategic reassessment that is now proceeding in the defeated camp. Conflicting voices declare that the adversary's ramparts can be breached only by a different name, a different doctrine, a different commander, or—forlorn hope of the Liberal remnant—a different party. The manifest signals of distress have invited the obvious retort that Labour is planning to sacrifice its principles in exchange for the sweets of office; but that would be by no means fair. The party scriptures were written in the context of the late Victorian and Edwardian age, and it is no reproach to Labour that they need to be reinterpreted to meet the conditions of the post-war world; for the social changes that have made an anachronism of the literal text are largely of Labour's achievement. If the substance of what the founders demanded has been attained, it does not follow that the party has outlived its usefulness. One ridge having been climbed, it should be possible to see a higher one which was invisible from the valley. What can be more justly imputed to the present Labour leaders is that they have singularly failed in the vision of any inspiring way ahead, or at any rate in communicating it to the electors.

The cardinal fact is that the Labour Party began as a party of revolt against poverty in the midst of plenty, and has lived into an age when the country's wealth, though diminished, is so widely distributed that poverty in that sense has ceased to exist. A comparison might be drawn with the occultation of the Labour Party in Australia, but should not be pressed too far, and is not in any case very comforting to the British party. In both countries scarcity of the old kind has disappeared. There has been an enormous growth of the middle class, equipping itself by means of hire purchase with the characteristic material comforts of the day—television, refrigerators, motor-cars and the rest. Though the status of these people may be less distinctive in Great Britain than in Australia, where there is a tendency to assume that the dirty work of civilization can be left to immigrants of less favoured races, nevertheless their culture is a version of that of their social superiors, and they will not be persuaded to think of themselves as the vanguard of an aggressive proletariat. In short the class war, if there was such a thing in England, is over, and Labour, if it is to survive, cannot afford to be regarded as the party of a class.

The difference between British and Australian Labour is that in Australia the Labour Party has been divided for many years on fundamental principles, and is now hopelessly split. The division is at bottom between the pursuit of social betterment on grounds of Christian morality and of materialistic economics, so that there is no guarantee that it can be bridged by the removal to a calmer sphere of Dr. Evatt, from whose personality the schism seemed for so long to proceed. Though the two themes, religious and economic, have also permeated Socialist thought in England, it has generally been possible to restrain this and other sources of contention to the domain of theory, and always to agree on an acceptable compromise in policy when an appeal to the electorate was required. It must be the more disconcerting that tactically united Labour in Great Britain has done no better than Australian Labour with its forces openly divided.

Yet in the confused heart-searching that has succeeded the first shock of defeat the prospects of recovery have certainly been under-estimated. There is hope for Labour, even if it depends on no more than the chance that "something may turn up". Few doubt that if a general election had fallen due when the Conservatives were partly demoralized by the setback at Suez Labour would have easily recovered power. The Conservative position was retrieved surprisingly soon, largely through the skilled leadership of Mr. Harold Macmillan. A Gallup poll at the beginning of 1959, little noticed at the time, estimated that three-fifths of the voters thought the country was doing well, and nearly as many expected the times to improve still further in the future. The issue in the mind of the voter in a general election is apt to present itself less as a choice between two detailed programmes than as "change or no change". Easy times naturally tell in favour of "no change", not so much because the floating vote is thus influenced as because the party in power then polls its full strength and does not suffer from the abstention of its dissatisfied but not disloyal supporters. But if in the short space of two years the balance was turned against Labour through the growing national feeling

of contentment, it may be that even a slight change of fortune could reverse the process.

The positive factor that assures the future of the Labour Party is the irreducible strength of the trade unions. This does not secure the party against the need for change, for nothing has changed more in the course of its history than the position of trade unionism itself. It began and was shaped as a movement of protection for, and protest on behalf of, the politically impotent. It has become a part, and a very powerful part, of the Establishment. The trade unions, however, have still to bring their ideas up to date with their modern status, and the Labour Party itself to adjust its thinking to the reality of the trade unionism which is the foundation of its permanent strength.

Most of the factors internal to the Labour Party, which affect its immediate future, are analysed in the article "Labour in the Wilderness". One or two more, which are less under the party's control, may here be mentioned in conclusion. Labour has undoubtedly been embarrassed in its strategy as an opposition by the Prime Minister's success in unobtrusively shifting the weight of the Conservative force from the right to the left of the centre. Targets are less conspicuous than they were. It should be observed that the Conservative victory has parliamentary effects in more than mere numbers. A big majority always means the arrival of young men, the men who have fought the marginal constituencies. Conservatism in Parliament is now the party of youth, while Labour has to re-form largely around its elder and less flexible minds, which have survived in its safe seats.

Finally, a change of emphasis in overseas policy may be potent in the future prospects of the Labour Party. It insists much less than in the days of Hugh Dalton* upon its affinities with international socialism. "Left" no longer "speaks to Left" in Europe with any great confidence. In place of that line of thought, the party is becoming more and more preoccupied with the anti-colonial doctrines it has long professed but not greatly emphasized. It may claim a good deal of the credit for the increased interest the British electorate now takes in its trusteeship for dependent or lately dependent communities. It is possible that new thinking about race relations and the emancipation of backward peoples may provide Labour with the stimulus it needs for rejuvenation.

* Now Lord Dalton of Forest and Frith, a baron for life.

LABOUR IN THE WILDERNESS

FUTURE OF THE U.K. OPPOSITION

"THE central issue of British politics of the 1960's may well be the fate of the Opposition." Thus said Mr. Robert McKenzie, the Canadian commentator, in a broadcast address at the end of 1959. And although the Labour Party has always had an almost pathological suspicion of journalistic apothecaries, many of its members seem to have taken Mr. McKenzie's words to heart (if in the wrong way) and are currently displaying all the signs of extreme hypochondria. Scarcely a day passes without some fresh diagnosis of the malaise; never has a political thermometer been rammed more regularly into any party's mouth; and seldom can a political organization have betrayed more concern over its own condition. Already the death-wish has taken its grip: not content with Mr. Gaitskell's conceding defeat at an astonishingly early stage during the election results of 1959, some of his closer political associates (notably Mr. Woodrow Wyatt and Mr. Douglas Jay) have not hesitated to start conceding it for 1964 as well.

All of which, of course, is perfectly understandable. The Labour Party has suffered three consecutive electoral defeats, it has lost seats and (proportionally) votes in four elections running, and the general election result of 1959 seemed to show that it had lost contact with a whole new generation—those, often on the housing estates, whom prosperity had touched for the first time in the 1950's. At the beginning of the 1950's the Labour Party held nearly 400 seats in the House of Commons; at their end it had only 258—fewer than it held in 1929. From being a party confidently marching to the promised land, it has become a party dejectedly stumbling into the slough of despond. Against such a back-cloth it is scarcely surprising that the Labour movement should be going through a pretty severe bout of introspection.

Will the introspection lead simply to self-pity and a new kind of political masochism, or could it be the preliminary to reform of character and amendment of life? Certainly upon what comes out of the Labour Party's present travail will depend the whole pattern of British politics for the next generation. The more melodramatic forecasts (which the Conservatives have now wisely abandoned making) predicting the complete dissolution of the Labour Party can be safely dismissed. They leave out of account the salient political fact that (however bruised and battered it may be) the Labour Party is still in Britain the tenant in possession of the progressive vote. With an irreducible minimum, at any rate in the foreseeable future, of 150 seats in the House of Commons, with a bed-rock of support from an economic interest, and with a laboriously built up national organization, it seems highly unlikely that any other political movement at present discernible can evict it from its security of tenure as the alternative government of the country. Even if Mr. Grimond's Liberals attain, as seems probable, some highly gratifying by-election results from middle-class constituencies it will not enable them to do it; for the Labour Party is not primarily about the middle-class, and blocking Mr.

Grimond's path there will always be the valleys of South Wales, the mining villages of Durham and even the industrial belt of Scotland. What the tacticians in the Liberal Party do not seem to understand is that ultimately it is not of any great importance who is second in impregnable Conservative citadels like Harrow West. What matters is whether a third party has the courage to enter contests where the battle is real and the battle is earnest. That courage the Liberal Party, by contracting out of the by-election at Brighouse and Spenborough, has given early evidence that it does not possess. Even take-over bids require some previous accumulation of capital, and only political pin-money is to be found in seats where the Conservative vote easily exceeds that of the Labour and Liberal candidates put together.

Obsolescent Issues

THE present struggle in the Labour Party is thus not just of importance to the stage army of political activists. It is, or should be, of concern to everyone in the country who does not regard himself as a natural or hereditary Conservative. One of Mr. Gaitskell's greatest handicaps is that the battle is necessarily being fought out by the party's loyalists—the people who are prepared to give up their time to political conferences; and it is by no means easy to persuade the dedicated that they are in reality no more than the trustees for the twelve million Labour voters in the country.

Certainly most of those twelve million would probably find it hard to get worked up on either side of the present dominating controversy on nationalization. To most it must seem a very musty battle, and one that somehow proves the accusation against the Labour Party that it is exclusively concerned with out-of-date issues. To some extent we are all nationalizers now; and the exact balance to be struck between Mr. Duncan Sandys, the Minister of Aviation and Mr. Frank Cousins, the Secretary of the Transport and General Workers' Union, might not have been thought a matter of primary importance. Even a Conservative government finances from public funds the building of aircraft and ships. And, for all the hate campaign worked up against nationalization in the last election, the Conservative Party is still cheerfully appointing the boards of the railways, the coal-mines, the large air-lines, and the gas and electricity industries. To those outside the Labour Party and the Institute of Directors the row over public ownership must surely sometimes seem to be a strangely academic wrangle. It is the same with the party constitution. What was or was not meant in 1918 (or rather in 1929 when the common ownership clause in its present form was written in) seems essentially a matter for the old believers. Already the Labour Party has slipped far enough since the election for its disputes to look to the world outside like the quarrels of a latter-day saints society, more concerned with historical orthodoxy than with practical measures.

There can, in fact, be no disguising the damage that the Labour Party has done to itself since the general election. Its immediate reaction to defeat was surprisingly responsible and dignified, but since then it has allowed itself to be knocked about like a Cromwellian statue. Of course the party has had bad luck. A grave and prolonged illness of Mr. Bevan, the party's most

probable alternative leader, the death of Mr. L. J. Edwards (causing a by-election in the seat with the lowest Labour majority in the country), the ruthless dropping of the Labour cause by the *Daily Mirror** have all contributed to the party's present jagged nervous state. The tip-and-run raids (with the emphasis seemingly on the run rather than the tip) by Mr. Douglas Jay, Mr. Roy Jenkins and Mr. Anthony Crosland, the massive onslaughts in reply from men like Mr. Michael Foot and Mr. Ian Mikardo are merely symptoms of the party's sense of insecurity. To some degree Mr. Anthony Crosland let the cat out of the bag when he said at a recent Fabian meeting that the proposal to alter the party constitution had only come as a shock to the rank and file because "they had not realized what the leadership had been thinking for some time past". That is, probably, part of the trouble; and it does something to explain the mutual suspicion which now seems to envelop the Labour movement. The prevailing neurotic atmosphere makes it extremely hazardous to attempt any forecast for the next five years. It depends possibly more than anything else on whether the party succeeds in banishing its present mood.

The best way, however, for it to do so might be to concentrate its attention on important issues—and not to treat crucial problems as matters which cannot be mentioned at any rate in public for fear of reprisal. (Recently a well-known figure on the right-wing of the party, addressing an open meeting of party sympathizers in Manchester, began by announcing that he could not allow himself to be reported, and then went on to make a spirited attack on the secrecy of Labour groups on local councils. He afterwards explained his aberration by saying that it was "regrettably true" that there were a number of topics upon which no Labour politician could risk being quoted.)

The Leader in Defeat

PRESUMABLY one of them is the question of the leadership. British general elections begin to look more and more like American presidential ones. In a sense in 1959 the people were not voting Labour or Conservative: they were voting, as if for rival monarchs, for either Mr. Macmillan or Mr. Gaitskell. Newspapers ("Always, always, tell the news through people"), television and mass advertising have probably all had a hand in bringing this about. But the new importance of the party leader has wrenched the political struggle in this country out of joint. In the United States—where personality is all-commanding—it is the easiest thing in the world to drop an unsuccessful presidential candidate. In Britain to dismiss a party leader simply because he lost is regarded as a delicate and unsavoury exercise. Nonetheless in the future it is clearly going to be very important for a party (especially a party of challenge) to have at its head a projectable leader—a man who can himself become a personal magnet drawing support to his party. Can Mr. Gaitskell ever fill that bill?

Perhaps the only person who can ask that question—though many might answer it—is Mr. Gaitskell himself. One of the possibilities that cannot be

* An illustrated newspaper of very large circulation, credited with great influence among the least sophisticated classes.—*Editor*.

ruled out for the next five years is that of Mr. Gaitskell's voluntary departure from the political scene. He has already hinted that if the party will not take his advice he cannot continue to lead it; and he is certainly a conscientious enough man to honour his own indirect pledge. But the problems of Mr. Gaitskell's leadership of the Labour Party go deeper than the opinions which he holds. The real issue is whether he will ever be capable of making an impact on public opinion. In all the talk of "modernizing" the Labour Party the one unmentionable subject is the discovery of a leader who is easily adaptable to modern political technique. No one could lend himself less readily to this than does Mr. Gaitskell; and his political epitaph may yet turn out to be the advertising man's cruel statement "he is not a salable commodity".

Yet Mr. Gaitskell's disadvantages as a projectable figure-head are only one aspect of a larger difficulty which now confronts the Labour Party. After nine years out of office all its other leaders have inevitably assumed the shadowy quality which goes with being members of a "shadow" cabinet. Its front bench no longer looks like an alternative government: it looks rather like a collection of men who think that politics are fun, and for whom the excitement of the game is its own reward. In terms of getting near to the reality of political power what the Labour Party most needs is at least some prominent members who approach national stature. This quality—as the recent spontaneous demonstration of affection and even admiration for Mr. Bevan proved—has nothing to do with the opinions that a man may hold. It is simply a question of the capacity to mean something rock-like to the public.

If the present Labour front bench means anything at all, it is scarcely that. The Greenwoods, the Callaghans, the Crossmans—even the Wedgwood Benns—all have the appearance of political shuttlecocks. They go through the motions, as they did when during an election broadcast the Labour Party television team (consisting exclusively of public-school men) visited a comprehensive school and told the children that they hope they realized how lucky they were to be there; but the performance lacks conviction. Partly it is the result of the wide gulf between the average Labour man and the people who sometimes seem to have "muscle in" to represent him; and partly it is the result of the merciless flood-light of publicity. One of the things with which the Labour Party has yet to come to terms is the gossip column: it does the party no good either with its fervent supporters or with the suspicious uncommitted voter when the attendance of Labour M.P.s at a gay evening at Mrs. Fleming's or Lady Pamela Berry's is recorded in the sober light of the next morning in William Hickey* or Paul Tanfield.*

A Vision Obscured

TOO many people are beginning to see a discrepancy between the vision held out and the reality of what takes place. The most damaging attack that can be made upon a Labour politician is still to record his public words

* *Noms de guerre* of gossip writers in two of the more popular London newspapers, the *Daily Express* and the *Daily Mail*—both Conservative in allegiance.—*Editor*.

about privilege in education and then to announce that he has privately entered his son for a fee-paying school. It is difficult to know how the Labour Party is to resolve this difficulty. It could to some extent be done by an exercise of greater caution over private lives (if only because a hostile press is determined to make them public property); it could also probably be assisted by a less barn-storming approach to social problems. Certainly what the party has to do somehow is to remove the taint of hypocrisy with which it has come to be charged.

The Labour Party, of course, is particularly vulnerable to any allegation of not living up to its own beliefs or practising its own preachings. This is because it has always been both more and less than a political party. It is admittedly in business to achieve political power; but supplying both the incentive and the limitation for obtaining that objective is an almost religious feeling that the party's real purpose is to bring about a new Heaven and a new Earth. A parliamentary majority is certainly to be coveted; but the ultimate goal is making a dream come true—a dream of a new society, a socialist society with values, standards of conduct and human relationships very different from those which prevail today. It is from the dream that most of the people who do the party's work in the constituencies and the trade unions draw their inspiration. It is the reality of the need to get office that the party's leaders constantly have to urge upon them. The dilemma is cruel. For New Jerusalems if they are to retain their mystical pulling-power cannot really be trimmed and tampered with to make them appealing to the popular taste of the moment.

Nonetheless it is to this task that the party leaders now seem to have set their hand. It is easy to see why it was necessary to do so. The dream is an old one, and there were times during the 1959 election when it looked as if the Labour Party instead of adopting its policies to suit conditions was portraying conditions in order to suit its policies. The stubborn refusal of the party to believe last winter that unemployment would not rise to fantastic proportions, the conviction later on that prosperity was in some way "spurious", the determination as recently as the end of last year (revealed in both the *Daily Herald* and the *New Statesman**) to show that the fifties had been an unhappy era were all outward signs of this inner attitude. Mr. Gaitskell may have decided to join issue on a very narrow front—textual criticism of one clause in the party's constitution—but he perhaps deserves the benefit of the doubt that what he is really trying to do is to alter the party's whole outlook on the world.

Will he succeed? It was necessary earlier to draw attention to the weaknesses which Mr. Gaitskell carries with him (and shares in common with his associates). Strictly they are no doubt irrelevant to his present enterprise, but they are bound to be factors to be taken into account; and they seem likely to be points upon which his opponents will play. Mr. Gaitskell will never be in quite the position that Lord Attlee his predecessor held. Lord Attlee could say nothing, then suddenly raise his head, murmur "matter of confidence"—and the whole issue would be then and there decided. Mr. Gaitskell has

* The principal newspaper and weekly review supporting the Labour Party.—*Editor*.

always to be careful that he does not overplay his hand. His resignation has already in effect been demanded by the Left—and they must have calculated the risk of causing possible outrage, and decided that it was worth taking.

If, in fact, Mr. Gaitskell does go—and *Tribune** is at least right in saying that his "leadership will be involved" if he does not get his way with the party constitution—the effect within the party need not be so catastrophic as is sometimes supposed. The persecutors are very rarely the inheritors. And Mr. Gaitskell could simply be replaced with a fresh face that has not allowed itself to get bruised in the controversy. Clearly, if this did occur, the Labour Party would be very unlikely to win the next election. But there are those, as has been noted, among Mr. Gaitskell's friends who think that the Labour Party cannot do so in any event. One of the reflections to which the present leader of the Labour Party is entitled is that no man could have been worse served by his friends than he has been in the last five months.

The chances, however, seem to be that Mr. Gaitskell, if he will bend a little with whatever is the prevailing wind, will succeed, if not in bringing the party round to his viewpoint, at any rate in surviving. The very stridency of the attacks that are now made upon him betray their own desperation. The great under-pinning factor that Mr. Gaitskell has on his side is the horror that the Labour Party still retains from 1931 of anything that will "split the party". And provided it can be made out that it is the Left that is doing this, and not (as Mr. Michael Foot alleges) the leadership, Mr. Gaitskell should be able to retain his position—probably on the party's terms and not on his own. That, of course, could be difficult; for Mr. Gaitskell, as he showed over the H-Bomb discussion in the national executive last summer, is a politician of sufficient courage to make his own terms clear. To some degree he has already done that by saying at Blackpool: "I do not want deliberately to advise a course of action which could only involve me in leading the party to another electoral defeat, and I will not do so."

A Clash in Prospect

BUT if it is true that Mr. Gaitskell's position is pledged, so now is the Left's. No victory that is won at the party conference this year can possibly be bloodless. It took the Labour Party many years to milk the old Independent Labour Party of its life-blood—and one possible outcome of the present situation is that a blood transfusion will be given to a new splinter group of the Left. How long can the party contain both Mr. Gaitskell and Mr. Foot? "Can"—as the preacher unkindly said at the Labour Party conference service at Margate in 1955—"two walk together except they be agreed?" Certainly neither Mr. Gaitskell nor Mr. Foot would agree to go on walking on the other's terms. The Labour Party, of course—like the Church of England—has a genius for compromise; and we may yet see Mr. Gaitskell as still leader of the party and Mr. Foot elected top to the national executive. It is a solution that would find great favour with those who urge "solidarity". But what kind of "solidarity" would it be? There are signs that the Labour

* A weekly review until recently edited by Mr. Michael Foot and identified with the radical wing of the Labour Party.—*Editor*.

Party is becoming so alarmed and paralysed by fear of public repercussions that it may reach the stage where it is incapable of making any decisions at all. There is certainly a great reluctance at the basis of the movement—not shared by the champions on either wing—to face the fact that the party is now at the parting of the ways, and that lurking at the cross-roads will do it no good whatsoever. When a Labour M.P.—Mr. A. J. Irvine—suggested at the beginning of this Parliament that the time had come for a show-down, his message was heard in shocked horror. If, however, things go on as at the moment, he may well have gathered more supporters by the time the Labour Party once again searches its soul at Scarborough in October.

Yet plainly the faithful who assemble at Scarborough in October will have to take into account the possible consequences of the decisions they make. In this respect they may find themselves confronted with a strange irony. The departure of Mr. Gaitskell (taking perhaps Mr. Crosland, Mr. Jay, Mr. Jenkins and Lord Pakenham with him) would cause nothing like the earthquake, the wind and the fire within the Labour movement that a secession led by Michael Foot would. Mr. Gaitskell and such of his associates as went with him would probably be seen merely as treading where Lord Shawcross, Mr. Aidan Crawley and Mr. Kenneth Younger have already trod. (One of the odd aspects of all the commotion in the Labour Party in the last few months has been the fact that none of Mr. Gaitskell's more prominent colleagues have spoken up on his behalf when he has been under attack; it is almost 1951 all over again when Mr. Gaitskell's case on the Health service and rearmament found a champion only in Mr. Woodrow Wyatt.) If, on the other hand, Mr. Foot were to be forced—or indeed to feel compelled—to leave the party, he would be regarded as the last and greatest martyr of the movement, toiling up the political Calvary that has already broken such men as George Lansbury and even Keir Hardie. The effect in the country at large would, of course, be altogether different. Mr. Gaitskell's departure would shock the nation, Mr. Foot's would probably merely serve to reassure it. Mr. Denis Healey put his finger on this difference when, referring to Mr. Foot, he said acidly in November: "What earns cheers in this conference does not necessarily win votes in the country." Even on the personal issue what the Labour Party has to decide is whether it exists for itself, or whether it exists to serve the nation.

Tertius Vix Gaudens

PROBABLY some consideration should be given to the situation which would arise if Mr. Gaitskell did feel himself forced to give up his leadership of the Labour Party. There can be no doubt that the matter has already been the subject of excited thought and wild hopes amongst Liberals everywhere. Rightly they recognize that such a contingency presents the only possible opportunity for the resurgence of Liberalism in this country. Mr. Grimond, the Liberal leader (and ironically perhaps the most projectable figure in British politics, if only the Liberals had the equipment to do it) has never made any secret of this hope that his party will rise again from the dead ashes of socialism. But would that happen in practice? Politics is not

just a matter of theory; it is also a matter of organization. And the Liberals have not got near to establishing a spring-board to enable them to dive seriously into politics in so far as they concern power. Their determined bid to make the West Country into the launching ground of their revival failed dismally last year. And even if before the next election they found some celebrated converts (or at least co-belligerents) it would not assist them in finding that solid base which a political party must have; two candidates of the Left in such seats as Stetchford, North Battersea or Grimsby would only succeed in giving more constituencies to the Conservatives. The most probable outcome of a strengthened Liberal force in this country would be an election result like that of 1924 when, although the Conservatives secured only forty-seven per cent of the total vote, they obtained a majority of over two hundred in the House of Commons. It is scarcely a prospect to rejoice the hearts of radicals to whom the Liberal Party now seems to address its appeal.

Yet things will probably not come to this. Even Lord Beaverbrook is said to have given instructions to his most faithful scribe—Cross-Bencher of the *Sunday Express*—that he must no longer write of Mr. Gaitskell as being "in peril"; the oracle is alleged to have formed the conclusion that it is no longer a realistic assessment of the situation. There could even be a more creditable explanation. Mr. Gaitskell today is the most crucial figure in British politics. He has it in his hands to decide whether or not there will be an effective alternative to Conservatism in this country for the next generation. Ever since he came to the leadership of his party in 1955 he has been trying to persuade it to adopt a new political recipe. The recipe has been to place the ear to the ground, to listen, to learn and then to formulate the party's policy in accordance with the mood of the country. Nothing could be farther from the traditional socialist habit of bringing down from the mountain the tablets of stone. For a long time Mr. Gaitskell's opponents in the party did not seem to realize what he was up to. Now they know only too well—and are busying themselves trying to erect barricades to keep people out rather than building bridges to let them in. Mr. Bevan's dark October remark that the 1959 election had been fought on "pre-1914 Liberalism brought up to date" was one example of this; the New Year message of the chairman of the Fabian Society calling for "a definition of socialist ends clearly distinct from those professed by Communists, the Bow Group* and Mr. Grimond" was another.

The crisis that has come upon the Labour Party is, in fact, not a sudden one. It has been brewing for years, and one has been able to see the battle-lines being drawn up. Mr. Gaitskell, as one of the two rival generals within the encampment, has little alternative but to go through with the battle; it is difficult to see how he can accept any parleyings that would maintain the dichotomy intact. For the battle is not for the soul of the Labour Party; it is for the future of parliamentary democracy as we have known it in Britain.

* A group of young Conservatives holding progressive views.—*Editor*.

THE IMPACT OF BROADCASTING

RADIO AND TELEVISION IN THE COMMONWEALTH

FOR various reasons the Commonwealth was more susceptible than other political communities to the influence of broadcasting and television when they arrived in the first half of the twentieth century. Scattered across the world as no empire had been before, the member territories were big enough for their inhabitants to be largely cut off from one another as well as from the mother country. English was more widely spoken in the world than any other language, and if the standard of living in the Commonwealth was patchy, it was high enough to provide sound transmitters and receivers in a few decades across its length and breadth. This was the sort of audience that Kipling or Lenin or even Genghis Khan might have dreamed of.

Whatever the upshot might have been in quieter periods, events were gathering momentum at the time of the new development which greatly increased its impact. In part these events were internal. An accelerated movement towards self-determination was spreading below the surface and here and there had already erupted where political adjustments had failed to make way fast enough. Since the breakaway of the American colonies in the eighteenth century, that strand of British imperial policy which sought, in response, to guide the colonies on the path of self-determination had comparatively little to show for itself among the backward peoples of the Commonwealth. The failure was in part caused by problems of illiteracy and confinement within the limits of narrowly spoken languages. The arrival of broadcasting and later of television brought with it for the first time a means of removing or surmounting the barriers on a wide scale and thereby improving the chances of peaceful evolution.

There was a second and more dramatic sense in which the new technique could act as a speeded-up form of education. By projecting oversea the central events and ceremonies as well as the news of the Commonwealth, it was possible to renew and stimulate a sense of vigorous community so that at the very least those English speaking parts of the Commonwealth which were already moving towards independence had no intention of cutting adrift. At the best there was a chance of modifying the attitude of those who were blind to the advantages and wanted dissolution.

The Origins of Foreign Influence

THE pressures inside the Commonwealth drew much of their strength from changes in the outside world. In 1917 the Bolsheviks seized power in Russia with the intention, openly specified by Lenin, of converting other peoples to Communism. The Soviet Encyclopaedia credits Lenin with responsibility for the immediate development of broadcasting, which he praised in 1919 (in a letter to the head of the wireless centre at Nishnegorod) as having "no limits of distance". Propaganda services in morse were already going out.

Within another five years broadcasts in English had begun, and in 1929 "the cultural needs of the Chinese people" were being supplied by a new Russian station at Khabarovsk, on the Manchurian frontier, with coverage in Korea, Manchuria, Peking and Northern China. The languages broadcast by this Soviet Far Eastern Station already in 1929 included Chinese, Korean and English. Emphasis was put on the exploiting characteristics of the foreigner just as, in the West, the *bourgeoisie* was described as exploiting the workers.

Although the Soviets were the first to use the new possibilities with intent, they were not to remain alone for long. The aggressive nationalistic drives of Japan, Italy and Germany all made propaganda incursions into the Commonwealth with accounts of British exploitation which were not very different from those put out by the U.S.S.R., although they lacked the same ideological cohesion.

A third influence, and perhaps the most important in an immediate sense, came from the United States. In the isolationist phase which covered the greater part of this period, the States were still largely taken up with the drive to raise living standards within the American way of life. Broadcasting and later television were built in organically to this pattern as agents working primarily in the interest of industry and the distributive trades. By the middle of the twenties over a thousand American stations had been licensed. Except for a scattering owned by churches, universities and public bodies of one kind and another, they were entirely dependent on advertisers, who had the power to prescribe the tone and substance of broadcasting. The aim of winning the biggest audience became the test of quality, without reference to political responsibility or artistic standards. The system probably strengthened the isolationist tendencies of the people by shielding them from a close and painful realization of the Soviet and Fascist developments. It must also have had some effect on the pattern of industry by concentrating the productive genius of the country on the more and more efficient production of consumer goods.

The United States was early in the field, too, with trustworthy short-wave stations broadcasting externally; but they had little significance compared with the export of its domestic pattern of broadcasting. Throughout South America, in Canada, Australia and other parts of the Commonwealth, a multitude of stations came into being on the same basis of free enterprise backed by industry. There was a sense in which these stations could fairly claim to be non-political because they aimed at nothing more sinister than the profits to be had from entertainment and had no greater political effect than the stimulation of the appropriate pattern of industrial investment. Wherever they sprang up they were justified, in spite of casualties, by high profits and a minimum of complaints from the public.

British Broadcasting

IN Britain both radio and later television found themselves in a special position. The concentration of a dense and well-off population in a small area made it a relatively simple matter, as in other European countries, to finance by collecting licence fees from the audience. The British Broadcasting Corporation was thus able to grow up as a State system independent of the

day-to-day interests of the Government on the one hand and of industry on the other. It was a public service which claimed to serve minorities if not to foster them, and to promote the ideals of State and community as well as to entertain. There was, however, much criticism. The B.B.C. was accused of being too serious for the home public and among other things of being inactive abroad. "An agitation, which soon became a topic of wide controversy, arose out of the B.B.C.'s slowness to recognize the importance of short-wave broadcasting", reported *The Daily Mail Year Book* in 1928.

The B.B.C. itself claimed (in its *Handbook* of 1928) to have been engaged in broadcast experiments to the Commonwealth since 1923. Lord Reith, its first Director, complained that the very suggestion had been left to the B.B.C.; "there had been little encouragement; colossal indifference; some opposition", he wrote afterwards in his autobiography. In fact the Colonial Conference of 1927 and the Imperial Conference of 1930, which studied detailed B.B.C. schemes, saw the extension to a world-system as "manifestly a natural and necessary development"; but the obstacle, in a period of successive monetary crises, was finance. The B.B.C. pressed for a grant in aid, which was refused.

"The cost should in equity be borne by the listener rather than by the taxpayer", declared the report of the Imperial Conference of 1930, and in more final terms: "contributions towards the cost of the service could not be expected from Government funds."* This was a year after the opening of the Soviet Far Eastern Service and more than a decade after the establishment of the first propaganda service in morse code. At the time Mussolini was extending his interests to Africa and Hitler was coming to power in Germany.

In his autobiography *Into the Wind* Lord Reith suggests that he was acutely uncomfortable at the short-term nature of the gains which were to be had from such economy.

Other countries were spending much money and effort in diffusing their tendentious news and views... implicitly if not explicitly anti-British. Totalitarian countries in particular were moving with great rapidity and determination towards world coverage and without any such justification as the British had. There were already signs of competition in the short-wave sphere almost analogous to that in the sphere of armaments.

Government funds were finally granted in 1932 when the constitutional resolutions of the colonial and imperial conferences had taken shape in the Statute of Westminster. It was in a sense the last possible moment.

Two Sources of Authority

CONCEALED somewhere near the source of London's financial reluctance was another characteristic which was important enough to offset the years of inaction and the parsimonious future. There was no suggestion at either of the great conferences or at any time that the Government was interested in itself directing a service of "propaganda" in the narrow sense.

* Cmd. 3718.

Such was not its business. Since Locke had written his letters *On Toleration* at the end of the civil wars, anything like a doctrinal message had been disowned by governments. In the promotion of conditions in which British traders might operate to the best advantage an attitude of tolerance and respect for facts had become traditional. British Governments were content within reasonable limits to leave the business of broadcasting to broadcasters, in much the same way as they had expected them to find the money out of the ether.

The advantages of this independence were very great and possessed by none of the rival national services, which were all in varying degrees government departments run by officials. Politically the result was that the B.B.C. could mount, as no other great powers could, objective news bulletins and comments which had the penetration of an independent approach within the broad framework of national and Commonwealth unity. In terms of entertainment it was left free to provide what the setting demanded—a presentation of the full range of the artistic and cultural standard of achievement available in London. The B.B.C. was able to be to the Commonwealth something of what it was to the home country. At the same time it had begun increasingly to present the Commonwealth to Britain.

In the ability of King George V as a broadcaster another unexpected advantage was given to the B.B.C. From the time when his broadcasts began a year after the Statute of Westminster they were a remarkable success. The King had an interest in the Commonwealth which equalled Edward VII's interest in foreign affairs. He was a natural broadcaster and his messages had just that touch of imaginative fire which had apparently been lacking in British policy of inaction. "I speak now", he said, "from my home and from my heart to you all, to men and women so cut off by the snows and the deserts, or the seas, that only voices out of the air can reach them." In a period when the emotional significance of a strong father figure was a uniting force in almost every part of the commonwealth, these broadcasts were proved by correspondence to have been of major importance. "His was a wonderful voice," says Sir Harold Nicolson in *King George V*—"strong, emphatic, vibrant, with undertones of sentiment, devoid of all condescension, artifice or pose. The effect was wide and deep."

The Technical Background

THE system by which broadcasts from London were given coverage throughout the Commonwealth was worked out by trial and error in the experimental period. No means existed to reach all parts simultaneously, as in a home broadcasting system, and the best that could be done was to direct on short waves a suitable programme at a territory during its peak listening hours, which were usually at about dusk. Gradually these separate programme periods fused into a continuous round-the-clock service which was carried on a beam moving steadily westwards with the setting of the sun and composed of a constantly changing battery of transmitters and arrays appropriate to the territories being served.

From the beginning it was intended that the short-wave broadcasts direct

from London should be supplemented wherever possible by medium-wave relays within the territories concerned. But there was general scepticism whether such rebroadcasts could have anything but a novelty value. It is in part an indication of the cohesion of the Commonwealth that thirty years later at the beginning of 1960 the General Overseas Service of the B.B.C. is rebroadcast more than any other service in the world. On an ordinary day in the second half of the century 30 countries and more than 200 local transmitters are taking news bulletins or programmes from it. On exceptional occasions the number of transmitters was much bigger.

The engineering costs of transmitting such a service from London are inevitably great. Since the war it has been necessary to stop transmitting for gaps of an hour and a half in every cycle of twenty-four hours in the interests of economy; but the service still remains greater than Moscow's English service to the Commonwealth of 21 hours daily, Australia's 19 hours and the Voice of America's 16 hours.

Development of Policy

THERE appears to have been a major change in the objectives of B.B.C. output to the Commonwealth between the thirties and the fifties. The importance of the original broadcasts by King George V lay, as has been said, in the simplicity and directness of their approach, and the virtues of the Empire Service were not dissimilar. People of British descent and expatriates throughout the Commonwealth could pay a visit home every time they listened. They heard the chimes of Big Ben with the people crossing Westminster Bridge, shared the news with their relatives in Cheam, took part with delight in a journey on the Flying Scot or a tug threatening to catch up the Oxford crew in the Boat Race. With less regularity there were the great occasions of State, the ceremonies, religious services, the concerts and dance music. One of the few sources of constant irritation among listeners was to hear a recording of these experiences instead of the reality; it reduced the magical sense of unity.

In calculations about the audience at this time there were known to be some two hundred million people outside Britain whose first language was English. A large part of them—and at first almost certainly a majority in terms of set owners—were Americans, who turned out to be noticeably impatient in correspondence about the simpler imperial assumptions of the Empire Service. The effect on policy of such protests was of benefit not only to American listeners, who in any event were interested on a more casual basis of novelty than those in the Commonwealth. Before long it was recognized that, besides the two hundred millions who had English as a first language, there was another hundred million who had acquired it as a second language. As the American pioneers of listening sank back in relief from their short-wave trips to London and listened and looked in greater ease to their own well-adjusted entertainments, it was this other "foreign" English-speaking audience which acquired importance. It was foreign in the sense of its immediate inheritance, but politically its members were most often British subjects and culturally they had come into close contact with English-

speaking people. They were beginning to make up a major part of the audience because of their desire to acquire more of the language and background at first hand.

The newcomers to short-wave broadcasts in English were dispersed throughout the Commonwealth, in relatively great numbers in India, Africa and South East Asia but also to some extent outside it, in Latin America, in Japan, in Europe and the Middle East, where they are fairly common in Israel and the Persian Gulf. They have shown themselves more serious-minded and applied in their attitude to English broadcasts than the original Empire listeners who took the technical basis and cultural background of their civilization for granted. The demand for entertainment has been very strong from both types of listener, but in the interests of the "second language" listeners, major adjustments in the speed and tone of announcing and the informative content of programmes have been made and still appear to be in progress. There have also been more strictly political adjustments in the sense of portraying to the Commonwealth as a whole its own process of development. The political evolution of India, for instance, is recognized as a contribution of the greatest importance to the Commonwealth.

What is perhaps most striking about this change of direction is that the original appeal of direct contact with the mother country continues to be the demand of the new audience. To be admitted to the English fireside may not have the same family significance as for people of British descent, but it has some of the excitement of taking up a British Council scholarship for a course of study in Britain. Direct access to the technical and political thinking of London, to the concerts, light music and even the state occasions, has an attraction for them which is easily under-estimated. When the visit can be shared as a Commonwealth occasion, as it is in the programme *Asian Club* (which is shared at home by the audience of B.B.C. television) there is a special appreciation, but in any company the experience is authentic and cannot be offered in the same way by rival services. In spite of the major effort put into English broadcasting by Moscow, the Voice of America and Radio Australia, these services lack the same reserves to call on and as a result tend to be more suspect of conducting propaganda.

Foreign Language Services

ANOTHER consequence of the change of attitude in London which reorientated the Empire Service was the prescription by the Government of a whole series of subsidiary services with a stronger local impact than could be achieved by a single general service in English. Several of these were regional services in English which were necessary to provide efficient coverage in the Pacific, Caribbean and elsewhere. Others were in foreign languages.

Again there was natural reluctance to enter a field which would involve not only the heavy financial overheads of an engineering establishment, but the cost of foreign staffs who would be needed to translate and announce. The first move was ordered in 1938, almost a generation after the founding of the Soviet Union's foreign language services. The B.B.C.'s Arabic Service

was then opened in an attempt to counteract the development of Mussolini's high-powered campaign from Bari to achieve recognition as the Defender of Islam. An essential aim was to undermine the British positions in North Africa and the Eastern Mediterranean, but it was conducted with the kind of nationalist bombast which Arabs particularly detest and would certainly have undone itself without any intervention from the B.B.C. This was perhaps as well, because funds were not available to transmit the British programmes on a medium-wave transmitter (which might for instance have been set up on Cyprus) and there was little recognition of the high level of expenditure over a long period which is necessary to support an operation promoting friendship. The Arabic Service bore every sign of starting as a kind of minimum reply to intruders in the area. Medium-wave coverage was acquired after Suez, in 1956, and had attracted a substantial Arabic audience by 1960.

Other language services to the Commonwealth were started during the war—to Cyprus, India, Ceylon, South Africa and the Far East. The African languages, Somali, Swahili and Hausa, were added at the end of the fifties after Nasser with the Voice of the Arabs had begun to drive southwards more effectively than Mussolini. But there had been several new sacrifices to economy. Perhaps the least happily timed were the "de-prescription" of the B.B.C.'s Cypriot Service in 1951 on the eve of the Enosis campaign, and of the Afrikaans Service in 1957 as the problems raised by *apartheid* threatened to become insoluble.

The Beginnings of Television

HISTORY repeated itself in almost identical terms as television began to influence the development of the Commonwealth after the Second World War. Although the B.B.C. had founded internally the first television service in the world, it received no grant-in-aid from the Government for injecting its output into the rapidly developing systems of the Commonwealth. The United States was subsidized by its vast home market which enabled recordings of programmes to be offered at nominal prices, and the formative years at the beginning of Canadian and Australian television were largely given over, as far as foreign influences were concerned, to the acquirement of American tastes and standards. Where the automatic American subsidy was inappropriate, officially subsidized output was made available through the United States Information Agency. In 1959 more than three-quarters of the television programmes entering Australia were American. In Canada direct viewing was common.

By 1960 the B.B.C. was supplying the Commonwealth with some hundreds of films and recordings of British television shows a year at cost price. The Central Office of Information had produced a valuable catalogue of films for free use subsidized by the Government, and commercial companies were selling a certain number of television films shot with the American market in the foreground of their mind and accordingly with a flavour which might sometimes be described as Mid-Atlantic. The whole of this effort was making much less impact on the television screens of the Commonwealth than the B.B.C. alone made in its wireless sets.

There was, perhaps, one development in television which had a novel interest. The British Commonwealth International Newsfilm Agency, or B.C.I.N.A., was founded in 1957 as the only non-American news agency supplying a service to television stations. Members of the controlling trust and owners of the company are the principal Commonwealth users of the service, but both are limited to the Commonwealth. Between four and five thousand news sequences a year are sent out to its consumers, who include the B.B.C., networks in Australia and Canada, and stations in Cyprus and Hong Kong. The service is not a propaganda service in the sense of being government controlled, but it includes in its world-wide coverage such Commonwealth events as Royal Tours and ministerial visits, elections, sport and the general visible process of building democratic development, as well as the violence and conflicts which accompany it. It is likely to have the effect of making the Commonwealth better known to itself than it otherwise would be and better known, too, to the rest of the world.

What was most obviously common to the early stages of television and of radio in the Commonwealth was the refusal to take the entry of foreign influences seriously. From time to time there have been alarms in the press about what the Commonwealth was learning to stare at, and there have been appeals from many of the new television stations for programmes from Britain; but there has been no appropriate response. In broadcasting, initiative from London was only brought about by changes in the structure of the Empire and by the immediate threat of war. Something similar may be required to project British television, and a hint of what it may be comes from the emergence of independent states in Africa and the interest they are taking in the establishment of cheap television services.

The second part of this survey will go on to examine the organization of radio and television inside the member States of the Commonwealth.

(To be continued)

ACADEMIC APARTHEID

SEGREGATION OF SOUTH AFRICAN UNIVERSITIES

IN 1959 there were nine universities and one university college in the Union. The universities are corporate bodies established by Acts of Parliament, which endow the Councils with general control and the Senates with powers in academic matters. The Councils include government nominees, but members elected by graduates, donors and other constituencies are in a majority; the Senates consist mainly of professors. Though all the universities are largely dependent on State aid, they have hitherto been free to determine their own entrance qualifications, subject to minimum academic standards. The Afrikaans-medium Universities of Stellenbosch, Pretoria, Potchefstroom and the Orange Free State have never admitted non-white students. The English-medium Universities of Cape Town and the Witwatersrand have admitted non-whites on the same qualifications as whites, and treated their non-white students in exactly the same way as their white students in all academic and some social matters, while separating them in other social matters, such as sports, dances and residences. The English-medium University of Natal has admitted only whites to its Pietermaritzburg section, but non-whites as well as whites to its Durban section, where, however, the non-white students are separated from the white students academically as well as socially. Rhodes University, which is also English-medium, has admitted whites only, except a few to post-graduate studies. Affiliated to Rhodes University was the University College of Fort Hare, which admitted African, Indian and Coloured students. Like the other institutions, this college had been created by private as well as public endowment. It had its own Council and Senate and it was expected eventually to acquire full university status. In June 1957, 25,840 students were attending the nine institutions mentioned above. 24,237 were classified as white and 1,603 as non-white (552 Africans, 653 Indians and 398 Coloured). At the University of Cape Town there were 456 non-whites (forming 10 per cent of the total), at the University of the Witwatersrand 214 (5 per cent), at the University of Natal 555 (19 per cent) and at the University College of Fort Hare 378 (100 per cent). There is also the University of South Africa, which conducts correspondence courses and examinations for external students, of whom in June 1957 there were 5,538 whites and 1,859 non-whites.

Soon after the National Party came into power in 1948 members of the Government declared that they intended to apply the policy of *apartheid* to university education. For some years the parliamentary sessions were taken up with other *apartheid* measures which the Government regarded as more urgent. In 1953, however, Parliament passed the Bantu Education Act, which gave the Union Department of Native Affairs control over all school education for Africans in the Union, and later that year the Government appointed a commission "to investigate and report on the practicability and

financial implications of providing separate training facilities for non-Europeans at universities". In its evidence to this commission the Union Department of Native Affairs proposed that university education for Africans should be provided exclusively in three colleges—Fort Hare for Xosa, a new college in Natal for Zulu, and a new college in the Transvaal for Suto. The commissioners were Dr. J. E. Holloway, formerly Secretary of the Treasury and subsequently High Commissioner for the Union in London, Dr. R. W. Wilcocks, then Rector of Stellenbosch University, and Dr. E. G. Malherbe, Principal of the University of Natal. In their report they pointed out that their terms of reference did not charge them to consider the principle of academic segregation on racial lines. Nevertheless, they observed that "Any limitation of a university's autonomy is always a serious matter", which might have a bad effect on the status of South African universities abroad. They recommended that most non-white students should be concentrated in the Durban section of Natal University (where segregation was already practised) and at Fort Hare, but that there should be exceptions to the general rule and, in particular, that Coloured students should be allowed as previously to study at the University of Cape Town. These recommendations were not in accordance with the wishes of the Government, nor did it give effect to them. Instead, it appointed an Inter-Departmental Committee of civil servants to explore the financial aspects of complete university *apartheid*. The report of the committee was not published, but in 1956 it became apparent that legislation would soon be introduced to make *apartheid* compulsory in higher education in South Africa, though it was not yet realized how far-reaching that legislation would be.

Protests from the Mixed Universities

OPINION in the Universities of Cape Town and the Witwatersrand was and remains overwhelmingly adverse to university *apartheid*. In December 1956 their Councils passed resolutions condemning it and declaring that their policy of academic non-segregation was in full accord with the highest university ideals and had contributed to interracial harmony and understanding in South Africa. In January 1957 a conference of representatives of those two universities was held in Cape Town, resulting in the publication of *The Open Universities in South Africa*, which presented the case for the selection of students on academic criteria only and rebutted the arguments which had been used against it. Thereafter those two universities—their Chancellors (the Hon. A. van de Sandt Centlivres, a former Chief Justice of the Union, and the Hon. Richard Feetham, a former judge of appeal), their Principals, their Councils, Senates, lecturers, students and former students—contested every step which the Government took to place its plan in the statute-book. Pamphlets, statements and newspaper articles were published, public meetings were held, students demonstrated outside Parliament, and there were solemn academic processions through the streets of Cape Town and Johannesburg. The National Union of South African Students (from which the Afrikaans-language Universities had withdrawn in the 1930's) also emphatically opposed the legislation. So did the parliamentary Opposition,

the English-medium press, and many other non-Nationalist organizations. When the Government's plans were fully revealed the University of Natal, Rhodes University and the University College of Fort Hare protested in much the same ways as the Universities of Cape Town and the Witwatersrand. There were also numerous protests from scholars and students in other countries, including a cable to the Prime Minister from the International Committee of Science and Freedom on behalf of 296 universities in 52 countries. All these protests were ignored. At no stage did the Government consult the universities of South Africa, or the statutory Committee of University Principals, on the principle of *apartheid* in universities; and when the Minister of Education received a deputation from the Universities of Cape Town and the Witwatersrand he refused to discuss the principle and the deputation withdrew.

The first Bill on the subject—a Separate University Education Bill—was introduced as a public Bill in March 1957, but it had to be withdrawn because it was found to be a hybrid Bill, since it included provisions for the transfer to the Government of the University College of Fort Hare and the Natal University medical school for non-white students. In April 1957, however, the Government introduced a second Separate University Education Bill, which omitted the provisions concerning Fort Hare and the Natal medical school. The House of Assembly referred this Bill to a select committee, but not before it had approved its Second Reading, so that the committee was precluded from discussing the principle of university *apartheid*. At the end of the parliamentary session the committee was changed into a commission, which presented two reports in 1959. The majority report was signed by the Nationalist members: the minority report by the Opposition members. The latter recommended that the Councils and Senates of any new colleges for non-whites should be constituted like the Councils and Senates of the existing universities, and that their powers should be similar; that any new college for Africans should be open to Africans of all tribes and not confined to Zulu, or Xosa, or Suto; that new colleges should be financed from general revenue like the existing universities; that in their early years new colleges should be associated with existing universities; and that the Universities of Cape Town, the Witwatersrand and Natal should not be closed to non-whites for at least ten years. In favour of these recommendations the minority commissioners cited a great deal of evidence, including evidence which had been given to the commission by Afrikaner academic witnesses who were supporters of the National Party. But the majority commissioners differed from the minority on all these points; and the draft Bill which was attached to the majority report was substantially the same as the Bill which was introduced into Parliament in 1958. This—the third Bill on the subject—was called “Extension of University Education Bill”, and it would no doubt have been enacted had not the death of the Prime Minister, Mr. J. G. Strijdom, resulted in a curtailment of the 1958 legislative programme.

In 1959 an almost identical Extension of University Education Bill—the fourth Bill on the subject—was introduced, and so was a University College

of Fort Hare Transfer Bill. Moving the Second Reading of the former Bill on April 8 Mr. J. J. Serfontein, Minister of Education, Arts, and Science, summed up the Government's standpoint as follows:

There is a positive need on the part of the non-Whites to have their own institutions. . . . We want to make provision for them in separate institutions which can develop towards independence on their own basis. Secondly, they must be given the opportunity to develop to the full on the basis of what is peculiarly their own. Thirdly, they must be the bearers of their own culture to stimulate that culture amongst their own national group. Fourthly, the future leaders should be educated and trained there, not to break down the colour bar but to retain it in the best interests of both Whites and non-Whites. By means of this measure the Government wants to give the non-Whites the opportunity to develop, to be what they are and to retain their own national roots.

During the debate Dr. H. F. Verwoerd, the Prime Minister, declared that talk of university autonomy and academic freedom was irrelevant and that, if mixed universities were allowed to develop in South Africa, "colour consciousness amongst White and non-White at those institutions will be blunted more and more" with the ultimate result that South Africa would be "doomed to become a mixed society". The United Party opposed both these Bills, going so far as to oppose their introduction at First Reading. Dr. Louis Steenkamp moved that the House should decline to pass the Second Reading of the Extension of University Education Bill because

(a) the limitation of the admission of non-White students to existing universities is making unjustified, serious and undesirable inroads into the autonomy and traditional right to self-determination of such universities;

(b) the proposed institutions for higher education for non-White persons will not have the standing of universities, nor will they enjoy the academic freedom traditionally associated with a university; and

(c) the Government has not consulted the Statutory Committee of University Principals on the principles of the Bill, nor have the principles thereof ever been considered by a Commission of Enquiry.

Both Bills were enacted without substantial amendment by straight party votes with the help of drastic guillotines. In the House of Assembly the Second Reading debate on the Extension of University Education Bill included an all-night sitting, but only seventeen hours were allowed for the remaining stages of the Bill, and the University College of Fort Hare Transfer Bill was given only twenty-three hours for all its stages (not counting the time spent in the select committee to which it went, as a hybrid Bill, after its Second Reading).

Vast Ministerial Powers

ONE effect of this legislation is that no non-white person who was not previously registered as a student in one of the existing universities may register there after January 1, 1960, without the written consent of the Minister. The only exceptions are the University of South Africa, which teaches by correspondence, and the Natal medical school, whose students have always been exclusively non-white. It therefore seems likely that within

a few years the Universities of Cape Town, the Witwatersrand and Natal (except the Natal medical school) will have practically no non-white students.

The Extension of University Education Act also empowers the Government to establish and conduct new "university colleges" for non-white students only. The students at such colleges will write the examinations and obtain the degrees of the University of South Africa. The Rector of a college is appointed by the Minister and is a member of the Council and the Senate. All the other members of the Council are appointed by the Governor General; and all the other members of the Senate are appointed by the Minister after consultation with the Council, from among the professors and lecturers of the college. Provision is also made for an "Advisory Council" and an "Advisory Senate". The Minister's powers over the colleges are vast. He may refuse admission to any applicant. He may admit to any college persons of one "ethnic group" (e.g. African tribe) only. It is he who determines the staff establishment of a college. He may, after consultation with the Council, designate any post on the establishment a Council post, and posts not so designated are State posts. The power to appoint, promote, or discharge any person in a State post is vested in the Minister; this power in respect of Council posts is vested in the Council subject to the approval of the Minister. Holders of State posts are subject to the provisions of the Public Service Act relating to misconduct and inefficiency. The Minister may make regulations on all matters relating to the colleges. Furthermore, as in criminal legislation, penalties are prescribed for contravention of the Act.

The University College of Fort Hare Transfer Act transfers Fort Hare to the Government and gives it the same organization and subjects it to the same controls as the new colleges.

Four university colleges now exist in terms of these laws: the University College of Fort Hare for Xosa students, the University College of the North at Turfloop in the Transvaal for Suto students, the University College of Zululand at Ngoya for Zulu students and the University College of the Western Cape at Bellville in the Cape peninsula for Coloured, Malay and Griqua students. Another college is expected to be established for Indians in 1961. It has been officially stated that the final cost of the buildings of each new college will be about £400,000. All the members of the Councils of the colleges are white, and most of them are Afrikaner academics, *predikants* and politicians, whose sympathies are known to be with the Government. Most of the people appointed to the staffs of the colleges also have Afrikaans names. It may be confidently expected that all the members of the Senates will be white, and that only white members of staff will hold Council posts; while all the members of the Advisory Councils and Advisory Senates will be non-white, and non-white staff members will hold State posts.

The events outlined in this article have caused considerable disruption at Fort Hare. Between 1957 and the middle of 1959 fourteen of the fifty members of the teaching staff resigned, many of them without being replaced; and since the passing of the Transfer Act there have been further resignations and the appointments of eight others were terminated by the Minister from the date of transfer, January 1, 1960.

It is of course too early to make an assessment of the colleges. Afrikaner Nationalists are most anxious that they should become good examples of "positive *apartheid*"; but to others it is inconceivable that institutions created exclusively for the unenfranchised (African and Indian) and nearly unenfranchised (Coloured) sections of the population, divided one from another on a narrow and somewhat artificial ethnic basis, and strictly controlled by a government which does not hesitate to use its statutory powers, should develop into true universities, as the phrase is understood in the modern world. They will certainly differ profoundly from the new institutions in Salisbury, Accra and Makerere, and in Leopoldville and Elizabethville.

A few quotations from the regulations which have been gazetted for the University College of the North may form a fitting conclusion to this article:

14. Any student organization or organization work in which students are concerned is subject to the prior approval of the Rector.

15. No meetings may be held in the grounds of the College without permission from the Rector. Approved student committees may meet in accordance with the rules of the constitution of the body concerned.

17. No magazine, publication or pamphlet for which students are wholly or partly responsible may be circulated without permission of the Rector in consultation with the Advisory Senate and the Senate.

18. No statement may be given to the press by or on behalf of the students without the Rector's permission.

22. No collection lists may be circulated in the precincts of the College without permission from the Rector.

The Rector is going to be a busy man.

South Africa,

February 1960.

THE CENTENARY OF OIL

NEW AND OLD SOURCES OF SUPPLY

OIL faces a paradox as it enters its second century. At a time when the whole world is using more oil than ever before, and with demand rising steadily year by year, there is still more oil available than can readily find markets in the immediate future.

The intensified exploration of recent years, added to that begun ten or twenty years ago, has brought a succession of important new discoveries in the Middle East and Venezuela, and also in new areas, notably the Algerian Sahara and Libya and, to a lesser extent, Nigeria. It is now known that the world's oil resources are much more widely spread than was formerly imagined.

Oil men have been almost too successful a little too soon in providing the higher supply potential required for the rising needs of the future. As demand catches up with supply, equilibrium will gradually be restored, but for several years ahead there will be intensified competition for oil markets not only between producing companies but between producing countries.

The current situation of over-supply was not unforeseen. Oil men regard it as their first duty to ensure continuity and security of supply to petroleum users wherever they may be. Three major international crises—in Korea in 1950, in Persia in 1951 and in Suez in 1956-57—stimulated the quest for diversification of supply sources. Oil concerns have been anxious to find and develop new reserves; governments in oil-exporting or potentially exporting countries have been eager to see the rapid development of their resources. Balance-of-payments difficulties, national aspirations and strategic considerations have all forced the pace.

This situation of plenty has grown up at a time when the recession in the United States of 1957-58, with its milder counterpart in Europe, was slowing down industrial production and hence the rate of growth in demand for fuels. World trade is now recovering momentum and the temporary phase of superfluity of oil can be viewed against the long-term prospect of steadily rising demands for energy.

Mounting Energy Needs

MORE energy is the key to economic development, whether in the emergent countries of Africa, Asia or Latin America, or in the industrially more mature centres of western Europe and North America. In these "new" countries the demand for energy is growing fastest, although the actual volume required is naturally much less than in areas already heavily industrialized.

The decade of recovery from the War—1948 to 1958—saw a great upsurge of energy demand everywhere, with a growth of nearly 5 per cent each year in countries outside North America and the Soviet sphere. This trend is

likely to continue over the next ten years at a rather slower average rate of growth—probably of about $3\frac{1}{2}$ per cent annually. But in countries just getting into their industrial stride the rate of growth may be nearly twice as fast.

Coal will continue to make a large contribution by volume to the general energy pattern, but its share in total energy consumption will inevitably decline, particularly in western Europe. Though coal has its supporters in the ranks of conservatism, compared with oil, it is difficult to extract and handle, and less suited to the more modern technique of machinery and automation.

Nuclear power will come increasingly into the picture in the years ahead, but the contribution it can make to the general energy pattern should not be over-estimated. In the foreseeable future it will be mainly confined to electricity-generating stations feeding the grid systems of highly developed countries. Even so it will not be an economic source of power for a long time to come, particularly with large surpluses of coal seeking outlets and prices tending to fall.

It follows, therefore, that most of the growth in energy requirements will have to be met by oil, which has immense flexibility, not only in sources of supply, but in the wide variety of its products and applications. Natural gas also has a growing rôle to play.

Between 1948 and 1958 world consumption of petroleum products rose by nearly 80 per cent. And it is likely to go on increasing by more than 6 per cent every year throughout the nineteen-sixties—compared with a growth of not much over 2 per cent for all other fuels combined. By 1968 the total demand on the crude oil resources of the world outside North America and the Soviet sphere is expected to be of the order of more than 700 million tons a year.

The Pattern of Supply

EVEN so, current estimates of the amount of crude oil which could be made available in the next few years show an excess of between one-fifth and a quarter over demand forecast.

Oil is being found and produced in many more places and there are many more firms in the international field than ever before. Governments in oil-exporting countries, depending on a high level of oil revenues, are more concerned with growth and profitability of the industry than at any previous time.

While the Middle East and Venezuela remain the sheet anchors of oil supply to international markets, exploration is going on in more than 80 countries. Only 13 countries were producing oil at the beginning of the twentieth century: now there are 50.

The Middle East alone holds more than two-thirds of the world's known reserves, and those reserves are only just beginning to be tapped as the centre of gravity of oil production shifts from the Western to the Eastern Hemisphere. The total contribution of Middle East countries, as a source of oil entering international trade, has risen from under a third in 1948 to more than a half now, a rise in volume of nearly three million barrels daily (150 million tons a year).

Production in Venezuela, which as the world's largest single exporter contributes something like 35 per cent of the volume of oil entering international trade, nearly doubled between 1948 and 1958.

In size, the most important new areas of supply for export are in North and West Africa—Algeria, Libya and Nigeria in particular—whose combined availability according to French estimates may be as much as a million barrels daily (50 million tons a year) by 1965 (equal, for example, to Canada's potential capacity today). It is now certain that North Africa is destined to become a major producing region.

In Algeria

THE remarkable feature of the oil search in the Algerian Sahara and Libya is the speed with which oil has been found and developed. The first efforts to find oil in the desert did not begin until 1947 under great difficulties of terrain and climate. Now twenty companies are exploring in Algeria over concession areas one and a half times the size of Metropolitan France. Three main oil- and gas-producing areas are being developed—in the regions of Hassi Messaoud and Hassi R'Mel (gas) and in Zarzaitine, Edjeleh and Tiguentourine, near the border with Libya. Last December oil began to flow through a new 24-inch pipeline carrying the Hassi Messaoud production 400 miles to the Mediterranean port of Bougie. Another pipeline under construction, and due to be completed next October, will take oil from the fields at Zarzaitine and Edjeleh to the Tunisian port of La Skhirrah, on the Gulf of Gabes. The Bougie line has a capacity of 14 million tons a year and the La Skhirrah line will be able to carry 17 million tons a year.

A 250-mile line has been planned to transport gas from the Hassi R'Mel field to the Algerian coast, and French officials are studying surveys made by two research ships on possible routes for an under-sea pipeline which might take the gas to Europe. Official French sources estimate that oil production will be between 23 and 31 million tons by 1962 and may reach 50 million tons annually by 1965, but the larger figure seems optimistic. By the guarantee of equal division of earnings for twenty-five years, and the recent admission of foreign companies, the French have shown that they want the enterprise of finding and developing the oil resources of the Sahara to go forward with all possible speed. They are actuated by two main motives. One is the desire for improved security of supply for their mounting oil needs—the urge to reduce the country's dependence on the Middle East, from which France has been drawing nearly nine-tenths of her crude oil supplies. The other motive is the desire to save foreign exchange on their rising import of petroleum.

In a world which already has abundant supplies of oil readily available, this additional source of supply raises in an acute form the question of markets and prices. Except to the extent that consumption rises, Algerian oil must either find no market or displace oil from other sources. The former alternative is ruled out by French policy, reinforced by Europe's wider need for sources near to the main demand centres. It is, therefore, the Middle East producing countries which will bear the brunt of the competition of

Algerian oil for European markets. From Bougie the distance to Marseilles is only a quarter the length of a tanker voyage from the Middle East pipeline terminals in the eastern Mediterranean, and less than a tenth the distance from Kuwait via the Suez Canal. The opening up of large oil resources near to a big consuming area will retard the rate of growth of the demand for tanker tonnage and the volume of traffic passing through the Suez Canal.

Quality considerations will limit the quantity of Algerian crudes that can be treated in Metropolitan France. They are light oils with a high gasoline content, whereas heavier fuel oils account for a fairly high proportion of French oil consumption. The French Government have, however, ruled that Algerian Sahara crude, which is classified as "national" production, is to have priority in French markets.

Moreover, the Government has sought, so far without success, the co-operation of its partners in the European Economic Community (the Six) in the quest for markets. The French argue that preferential treatment for Algerian crude is justifiable on grounds of security—that North Africa is a safer source of supply than the Middle East—a special pleading on which there is more to say. That apart, experience (particularly that of Suez) has shown that security is best provided by the maximum flexibility in sources of supply.

The extent to which the other five governments of the Six eventually accede to the French proposals will depend upon a nice balancing of advantages and disadvantages in which politics may play a more important role than economics. But the over-riding of normal commercial considerations in the scheme put forward by the French is undoubtedly a step away from the liberalization of trade towards which Europe has been struggling during the post-war years.

Outlook in Libya

ALONGSIDE the Algerian developments, a promising new oilfield has taken shape in Libya in an even shorter term of years. It was not until 1956 that exploration began. Now seventeen companies—British, Dutch, German, French, Italian and American—are engaged in activities covering the whole country, and there have been substantial oil discoveries, particularly at Zelten (200 miles south of Benghazi, in the Gulf of Sirte) and Bir Tlacin (120 miles south-west of Tripoli).

While French public and private funds, with the participation of some foreign capital, have until recently borne all the exploration risks in Algeria, exploration in Libya has so far, been wholly by foreign private capital which from the outset has been granted attractive terms by the Libyan Government. The State could not afford to finance the huge expenditure necessary to survey so large a territory. So the Government called in the oil men and together they worked out a petroleum law assuring maximum benefits to the country and a fair return for the companies in the event of finding oil. The injection of foreign capital helps the Libyan economy and the training of Libyans in new and varied skills raises living standards. The production rate from the main discovery well is potentially nearly a million tons a year.

Successive discoveries have enhanced the value of the original Libyan concessions. Although the Government have not raised their terms, new applicants competing for territory have been willing to offer more than the law demands. Since one-quarter of the original concession areas have to be surrendered after five years, the Libyan Government will shortly be able to re-offer territory some of which will have (or already has) a higher potential value because of the oil discoveries already made. The prospects are promising.

Advance in Nigeria

FAR away from the deserts of North Africa, oil is now being produced from under the mud of the Niger delta—to oilmen “the worst swamp in the world”. The Nigerian search is a classic example of the risks, uncertainties, disappointments and high costs involved in oil exploration.

The search began in 1937. The first oil was not found until 1956 after £27 million had been spent. Two more years passed before the first shipment of oil left the country. A new ocean tanker terminal now being built, linked by pipeline with the main producing areas, is expected to be in operation by the middle of this year. By the end of 1960 production should have risen to $1\frac{1}{2}$ million tons a year—ten times the 1959 rate. But Nigeria is unlikely to become one of the world's major producers, although its output may rise above 5 million tons annually in the later nineteen-sixties. Nigerian oil is hard to find, difficult to recover, and costly to transport.

Already more than £60 million has been spent, and much more will be required to develop the existing fields and assess the value of the latest discoveries made last year at Ughelli, in the country's western region. Not only money is being invested, but the skill and resource of a team of international oilmen (including that of the Nigerians) are being deployed to enable the country's oil to reach world markets at competitive prices.

Political Aspects of Discoveries in Africa

TO see these discoveries in correct perspective it is necessary to bear in mind that in sum the entire African production of oil is at present not more than a few million tons a year against a Middle East figure of well over 200 million tons, and that the most optimistic French forecasts predict only 50 million tons for Algerian oil in 1965 against a Middle East figure which could quite easily rise to 400 million tons by that year. Moreover the French are talking of possible reserves in Algeria of the order of some 1,000 million tons only, against a figure of proven reserves for the Middle East in 1958 of 23,600 million tons. Set against the immense resources of the Persian Gulf the North African production even in the prognosis does not immediately impress. Moreover, while any and every new field is of great value as providing an alternative source and reducing *pro rata* Europe's dependence on the fields around the Persian Gulf, it should be remembered that exploration and extraction, in Algeria, at least, are already beset with political difficulties little, if at all, less challenging than those imposed by conditions farther east. In other words the dependability of the new source can only be gauged when hostilities in Algeria are brought to an end. Historically and culturally North

Africa is an extended arm of the Middle East and is liable to the same nationalistic and other fervours. From this may be deduced at least one consideration of great import, namely the renewed need for a concerted approach with France to all the problems, commercial and political, which arise in a region stretching from Casablanca to Oman. And in so far as the new discoveries are in Algeria, they mark the need for France not only to take her historic place in the concert of free nations but to display a tolerant understanding of the movement of thought in the Muslim world.

There is, however, one feature of the African discoveries which should have an increasingly stabilizing effect on any manifestations of extreme nationalism in the Arab world, and more particularly in those countries whose geographical position has led to their being known as the oil-transit States. Under present dispensations Nasser's United Arab Republic of Egypt and Syria controls not only the sea traffic through the Suez Canal but also all the pipelines from Iraq and Saudi Arabia with terminals on the Mediterranean, which either pass through or end in Syria. The U.A.R. is thus in a position to grant or refuse passage to some 90 per cent of Europe's present oil supplies. Present disorders show that Algerian oil too must face its own peculiar problems of transit to the coast, but, given the premise that over the world field oil supplies have out-run demand, the increasing availability of oil not liable to the political hazards of transit through the U.A.R., even in relatively small quantities, cannot but incline the government of that State to counsels of moderation. The transit monopoly is now open to challenge, and cannot be pressed too far.

Nor is this appeal to reason likely to be lost on the oil-producing States farther east. Just as in 1951-53 Musaddiq found his confiscatory policies defeated by the raising of the oil production of Kuwait, so will the new fields in Africa incline to reason any Persian Gulf Governments that are anxious to hold consumers to ransom. With alternate sources of supply so readily available even the most demanding Arab monarch or republic will now have second thoughts.

Embarrassment of Riches

HITHERTO nearly 90 per cent of the world's crude oil has been produced in four main regions—the United States, the Middle East, the Caribbean and Russia, in that order of production. In the 1950's the share of North America declined and that of the Caribbean remained more or less stable, while that of the Middle East and Russia has been steadily rising.

Commercial production in Libya will assume major proportions within the next two or three years, Algerian production has already begun, and during the 1960's the North African region bids fair to become the world's fifth major producing region. In the Far East Indonesian production has doubled within the last seven years with the development of relatively new fields in Sumatra.

New and old oil sources combined during 1959 to bring the world's crude oil production to not far short of 1,000 million metric tons a year—more than $7\frac{1}{2}$ per cent higher than in 1958 and more than double the output of 1949.

The orderly disposal of this embarrassment of riches in an intensely competitive climate is not being helped by the growing tendency on the part of governments to interfere with the free development of oil resources and trade. The efforts being made by the French Government to get preferential treatment for Algerian oil in the European Common Market have already been noted.

Still more striking examples are to be found in the Western Hemisphere. The United States, which supplements its own huge oil capacity from outside sources, last year imposed mandatory restrictions which considerably scaled down oil imports in the interests of its internal producers.

Venezuela, in particular, was hard hit since the United States provided the outlet for nearly half her oil exports. The Government subsequently tried to persuade the United States to allot Venezuela a specific share of its total oil import quota. This, it was proposed, would be shared out among the various companies who were to produce the oil at prices no lower than those of equivalent United States crudes. The Government also attempted to persuade Middle East producing countries to join with them and limit production.

This effort to stabilize prices by creating an artificial scarcity did not have much success. The United States declined to allocate a special Venezuelan quota, nor did Middle East delegates to last year's Arab Conference show much enthusiasm for a scheme which could scarcely be to the long-term benefit of either Venezuela or the Middle East.

It is self-evident that if Venezuela limits production it will not create an artificial scarcity of petroleum under present world conditions. The business will be taken by other nations, and once lost will be difficult to regain. It is better economics for Venezuela to realize on its oil now rather than later. The real value of a barrel of oil is likely to be much higher today than in five, ten, or twenty years time, because the increased revenues put to work today would be used immediately to diversify and develop the general economy of Venezuela. It is the parable of the Buried Talent over again.

The relative importance of Venezuelan oil exports is declining because of the increasing competitiveness of Middle East oil, accentuated by today's low tanker freight rates. On a large part of the eastern sea-board of both North and South America, Persian Gulf oil is price-competitive with Venezuelan oil. Moreover Venezuelan oil is being squeezed out of Europe. Not only is it unable to keep a proportionate share of the growth in demand; it is declining in volume. And in two of Venezuela's traditional neighbouring markets, Argentina and Brazil, great efforts are being made to increase domestic production of crude.

The oil outlook in Venezuela is further darkened by additional potential cost increases. If granted, the Venezuelan oil workers' new demand for still higher wages, following on the imposition of a higher rate of income tax, will add to the already relatively high level of local costs, making Venezuelan oil still less competitive.

Although pressure is continuing, it is difficult to believe that the United States could ever consent to a bilateral agreement with Venezuela at the risk of jeopardizing future relations with Middle East countries, and with the

possible result of having to pay higher prices for its oil imports than if it bought on the free market.

Even if the major producing countries did succeed in reaching an agreement, numerous smaller suppliers would be able to wreck their attempts to stabilize prices—for example, Indonesia, Canada and the Soviet bloc (which is increasingly trying to export oil to the non-Communist world). What the oil companies are pleased to call “proration”, if limited to Venezuela and the Middle East, would leave expanding markets open to all producers outside the “ring”. Investment would flow to those producers who could increase their production without artificial limitations.

Nor would oil consumers be likely to sit back and wait to be held to ransom. In order to reduce dependence on Venezuela and Middle East oil, nearly every country in the world is trying to find alternative sources of energy, financing oil exploration in foreign countries, searching for indigenous oil, or developing other forms of energy (for example, nuclear power).

Attempts at government direction of this kind, designed to create artificial scarcities, have been strongly resisted by the oil companies. Country-of-origin quotas would be quite contrary to their basic philosophy of freedom of direction of oil exports. They would lose the flexibility which enables them to satisfy oil demand in the most economical way everywhere because of the international scale of their operations.

Oil knows (or should know) no frontiers. It is an international commodity and the normal laws of supply and demand, coupled with the interplay of all the forces of competition, will, if allowed to operate, ensure that it reaches the ultimate consumer at a fair price. In a period of potential over-supply such as now exists it is scarcely necessary to underline the fact that the oil that will most readily find a market is the oil that costs least to produce. Any attempts by governments to try to control the free flow of oil artificially by restrictive legislation or high taxation will make that oil correspondingly more difficult to sell, with consequent loss in revenues to the countries concerned. Moreover, the consumer would suffer and damage be caused to the countries' economies. That is the moral of the present situation.

This survey may appropriately conclude with an extract from an American financial journal.*

Petroleum's balance sheet is stronger than it looks. Contrary to what investors once professed to believe, its hidden assets neither are located underground nor have anything to do with barrels of reserves. Instead, they consist of the competitive spirit, which, after flickering feebly for so long, shows unmistakable signs of reviving. This spirit can be fanned into flame. If so, the industry, despite its 1959 setback, is likely to amaze its new army of critics; the second century of oil may yet prove to be no less impressive than the first.

* *Barron's*, Dec. 14, 1959.

FEDERATION IN THE WEST INDIES

ITS ECONOMIC AND FINANCIAL SIGNIFICANCE

THE Empire from which the Commonwealth has grown may or may not have been "acquired in a fit of absence of mind", but it was certainly acquired piecemeal and with little regard to its ultimate destiny. So long as it remained a centrally-administered structure it mattered little that its components varied widely in shape and size or that some of them were too small to stand on their own. But the evolution towards the concept of "Daughter am I in my mother's house, but mistress in my own" soon raised the problem, just as had the transition to independence of the American colonies in the previous century, and like the Americans most of the original Dominions found the answer in Federation. In this they were helped by geography, which provided large and contiguous land masses relatively well endowed by nature, which could be occupied and digested a little at a time until the emerging Australian or Canadian nation arrived on the world stage well equipped with the wealth and population to stand on its own and play the part demanded of a sovereign nation.

So successful was this process in America and the larger Dominions that the word "Federation" came to have almost a magic significance as the solution to the problems of the remaining Colonies as they approached nationhood. In some cases Federation appealed as a means of holding together in a single State a number of peoples who had been brought together under British rule but had not yet been sufficiently assimilated one with another to be able to tolerate a unitary State. In others it was thought of as a means of bringing together into a single country territories which had been administered as separate entities during the period of British responsibility but were not considered large, powerful or rich enough to make the best of themselves as separate States after British authority had been withdrawn. It is in the first of these two categories that the path to independence through Federation has proved easiest—in Malaya and in Nigeria. In East Africa and Central Africa problems caused by racial differences have stood in the way: in East Africa they have caused the United Kingdom Government to refrain from attempting any closer degree of association than the very emasculated form of confederation represented by the East Africa High Commission and Central Assembly. In Central Africa the Federal experiment was launched but has now run into difficulties, which, however, all its well-wishers hope to be temporary and transitional only.

The West Indies have been successful in overcoming their racial problems. It was always clear—though clearer before the days of air travel—that the long distances between the various units would make the achievement of Federation difficult. But it was equally clear that Federation was not ruled out and seemed indeed the only way in which the region could achieve a

satisfactory existence as a sovereign nation. It is perhaps not surprising, therefore, both that Federation has come about and that it has come late and with at least its fair share of teething troubles, which have led some to ask, both before and after its inception, whether the operation was really worth while.

The difficulties in the way of West Indian Federation were and indeed still are formidable. The late Lord Halifax, studying the problem when as Parliamentary Under-Secretary of State for the Colonies he visited the region in 1922, pointed out that

the average Britisher studies the geography of the West Indies on a small-scale map, and without visiting them it is not easy to realize what large distances separate the Colonies. Jamaica is separated from the nearest British islands in the Lesser Antilles . . . by nearly a thousand miles . . . a journey longer in time than that from England to Jamaica.*

The time factor has been dramatically reduced by the aeroplane, which is probably the biggest single factor which has made Federation possible; but whilst this has made consultation and common action a practical possibility, it is still time-consuming and expensive in relation to the populations and land areas involved, and its expense puts it beyond the reach of the general public, who even today see surprisingly little of each other and to whom even neighbouring islands which they can see across the water remain largely unknown country. As Lord Halifax said in the same report,

In such cases the sea tends to divide rather than unite. Even when the separation is only a matter of a couple of miles, as between Nevis and St. Kitts, it is enough to effect a barrier between the social, political and economic life of the two communities. Sentiment and development do not flow naturally over the sea from one island to another. Among the West Indian islands is to be found an astonishing diversity of physical feature, climate, language, religion and historical tradition. It is not surprising that, when there is so much to distinguish, the centrifugal tendency should be so deep-rooted. . . .

This insularity is breaking down at an encouraging and ever-increasing rate, but a good deal of what was written then remains visible nearly forty years later.

Nor has trade been a unifying factor as it has in regions whose economies are complementary. Despite the dramatic surge of industrialization in Jamaica and Trinidad in the last few years, it remains true that most of the islands produce similar commodities and export them: in 1958 two-thirds of West Indian exports went to the United Kingdom, the United States of America and Canada and only 7 per cent figured in trade between West Indian territories themselves. Although, as is mentioned below, the need to speak with one voice in export matters has been a strong influence in promoting common action, it is clear that the pattern of trade has hindered rather than helped communications and intercourse within the region itself.

The Sense of Nationhood

THIS catalogue of obstacles which have blocked the path of Federation in the past has perhaps at the same time given a hint of the reasons which have urged the West Indian leaders to overcome them.

* Cmd. 1679.

First and foremost has been the growing sense, in the teeth of separatist history and tradition, of West Indian nationhood and culture. This has inevitably been a plant of slow growth, but it has been nourished by improved communications, including broadcasting; by the splendid nursery of the University College, and also by the lively intellectual *élite* of novelists, dramatists and dancers (to say nothing of the cricketers) who have taken the world stage and, often from this side of the Atlantic, looked back at their homeland with the same unifying perspective of distance as we do ourselves—with the added urge, since it is their country at which they look, to do something about it which only they can do. The same is probably true at a humbler level of the great stream of immigrants who have come to us in recent years, to find themselves recognized with affection as West Indians by a host of ordinary Englishmen who have never heard of Grenada or St. Kitts and to whom Trinidad means little more than Drake or Jamaica than rum.

Above all, heart-searchings at the progress towards political independence elsewhere have brought the realization that unity makes possible an independent sovereignty which, with possibly the marginal exception of Jamaica, could not be achieved by any unit on its own. The classic exposition of this fact is in the report of the Standing Closer Association Committee 1948-49,* which will repay quotation in full:

We start from the assumption that the main underlying purpose of our task is to seek the shortest path towards a real political independence for the British peoples of the region, within the framework of the British Commonwealth—what is meant in fact by "Dominion Status". We assume further that we have been charged with this task because there is general agreement that this object cannot be attained without some form of federal association between the territories concerned, but that with Federation its attainment becomes practicable. We are aware that in some circles there is a demand for full independence, or for self-government, either in advance of or simultaneously with Federation, on the basis of existing political units. While we reaffirm the view expressed at the Montego Bay Conference that the political development of the units must be pursued as an aim in itself, we are satisfied that the sheer force of circumstances of the modern world makes independence on a unit basis a mirage. Independence or self-government as a Federation is however a practical possibility, and we have framed our proposals with this specific objective in view.

This thesis has been under some strain in the past year, and to judge from recent statements by Mr. Manley there is a distinct school of thought in Jamaica which holds that that island at least could "go it alone" as an independent nation and might conceivably prefer this course to remaining in a Federation whose central government had powers, particularly in the economic field, which Jamaica thought too extensive for comfort. No doubt Mr. Manley has an eye on his own public opinion and also on his bargaining position when the conference on the Federal constitution is resumed; but it would be unwise to assume that he is bluffing, if only because to call his supposed bluff might be the surest way of forcing him to live up to his words.

* Col. No. 255, H.M.S.O. 1950.

How far Jamaica could in fact survive as a prosperous nation on her own is open to doubt. Smaller and weaker nations exist, but theirs is not an example that Jamaica's friends can be anxious to see her follow. Nor would a break-up of the Federation, for which the world would be likely to hold her responsible, endear her to its many well-wishers in the rest of the Commonwealth. Many of these have themselves experienced the difficulties that beset Federations in their formative years, and would not be much impressed by pleas that it was all too difficult.

In fact, there is no reason to suppose that things need come to any such pass. For all their zest for exuberant slanging-matches, the West Indian leaders are sensible and responsible men who have shown throughout their history that a genius for compromise is not an Anglo-Saxon monopoly, and so long as workable solutions exist (as they clearly do) it is long odds that they will be found. But they must be found on the spot with the minimum of unsought advice from outside.

This political argument, fascinating as it is and large though it looms in public discussion, should not be allowed to obscure the economic realities which, though they pose their own difficulties, also point heavily in the direction of Federation, and a not too emaciated Federation at that. The possible administrative economies are too obvious to need stress: ten foreign services and ten armies for a population rather more than half that of Ontario form a conception verging on the Ruritanian. But there are far deeper reasons than this. The land area of the West Indies is small and, except for bauxite in Jamaica and oil in Trinidad, devoid of mineral wealth (you cannot make a nail or a screw from West Indian resources). Beyond subsistence crops only a limited range of production is possible, so that inevitably the economy is heavily dependent on exports. To make a living out of exports in a harshly competitive world means hard bargaining, particularly when geography hinders easy communications and the economies of large-scale production. And in this sort of bargaining the advantage lies with the big battalions. This is relevant to the constitutional situation in two ways. First, "producer" governments have to bargain with those of consumer nations over such things as tariffs and quotas, and in this field it is immediately obvious that a Federal Government able to speak effectively for the whole region must be more strongly placed than the Government of any unit or even than a congeries of unit governments which, though they may aim to speak in chorus, are easy prey for wedge-driving tactics and the playing off of one against another. Secondly, outside the field of direct government activity, the producers themselves must be able to bargain from strength. This is true even of the predominantly estate-grown crops such as sugar, and it applies with even more force to the crops such as citrus and bananas which, though they too are grown on estates, are also produced in significant amounts by small peasant proprietors heavily dependent for their existence on the prices which these crops fetch in the world's markets. A producer organization covering a single island with fifty to a hundred thousand inhabitants cannot make much of a showing against the giant buyers. A measure of common action can of course be achieved by area-wide producer organization without political

Federation: nobody would want to under-estimate the achievements of, for example, the tough and skilful negotiators in the British West Indies Sugar Association. But even the strongest of such bodies at times finds it helpful to have government backing, and this in turn can be given more effectively by a single government than by five or more governments who, as experience has shown, cannot be expected always to agree among themselves.

Effects of Dispersion

COMMUNICATIONS have already been mentioned in the political context, and in the economic sphere also they are a major problem for a scattered archipelago. Shipping, air services and the highly technical field of tele-communications all cry out for improvement, and they are all expensive. The technical problems of routes and frequencies, port and airfield development, telephone cables and the numerous possible permutations of these with various forms of radio link—all these, and the allotment of priorities and money for them, need the closest co-ordination and firm decision if interminable delays and actual nonsenses are to be avoided. The experts competent to advise on such problems are themselves scarce and hard to come by, even for governments which can afford them. It would be ludicrous even if enough of them could be found—which they cannot—to employ a dozen of them to advise as many unit governments; and in any case the decisions must be taken by governments themselves and the world will not wait for a dozen of them to reach agreement on all the questions that need decision.

Both these main economic needs—bargaining strength in export markets and the improvement of communications—are needs affecting the relationship of the West Indies with the rest of the world. But in the internal economic field there are factors which, if perhaps less absolutely compelling, also tilt the scales in the eyes of an impartial observer in the direction of a strong central government. For a country so preponderantly agricultural the West Indies are already overpopulated, the population is growing frighteningly fast and, despite signs that opinion is beginning to realize the need, any slowing down, let alone a reversal, of this tendency can only come about very gradually. The basic problem is that of too many people chasing too few jobs, and it is necessary to run fast after a solution to remain in the same place. Industrialization is therefore a prime need—not necessarily or even feasibly spread uniformly over the islands but at least wherever it can practicably be coaxed into existence. This can only be brought about by attracting investment capital from outside. Investors are shy birds and it is often far from easy to devise the right bait, but it seems reasonably clear that a major attraction would be the larger market which would result from Customs Union and a common economic policy. Europe is rapidly learning this lesson, which must surely have even greater force in a scattered archipelago with two-thirds the area and one-third the population of Belgium alone. This view is at present hotly disputed by many—perhaps by most—thinking Jamaicans. The dispute evidently lies at the heart of the current argument over the Federal Constitution; it was probably the root cause of the conference

breakdown last September and some statesmanship will be called for if a repeat performance is to be avoided when the conference reassembles. Jamaicans are no fools; they undoubtedly lead the Caribbean in the field of economic development and Mr. Manley at least knows a good deal of Commonwealth history. The Jamaican view must therefore command attention and any outsider who is firmly convinced that it is wrong must tread warily. Mr. Manley's argument seems to run something like this: "We have a flying start in the field of economic development. We are up to our eyes in an exciting, rewarding but difficult programme, closely planned and needing constant watching and co-ordination. We know what we are doing, and we simply cannot afford to have a less experienced Federal Government interfering in our plans and upsetting them. Therefore, whilst I agree that Federation is right, and that in due course we may be ready to see a Federal Government with a fair amount of economic power, for the present we feel strongly that its powers should be limited to the immediate essentials. You do not have to tell Jamaicans of all people about the need for industrialization: we are pioneers in the technique of attracting it to the Caribbean. But we are thoroughly sceptical of the idea that it will be attracted more by Federation than by the individual efforts of ourselves and no doubt of Trinidad. You have in these two islands governments which know their own conditions, know just what incentives are necessary and present compact units with whose governments investors can negotiate far more quickly and easily than with any Federal Government, particularly one obsessed by the idea of attracting industry into small islands where it cannot hope to thrive. Leave us to get on with this job while that Government looks after defence and external affairs and the currency. The benefits will spread themselves around the region faster and more effectively in this way than in any other."

Superficially the argument is attractive. Jamaica has indeed made a measure of progress with industrialization which astonishes those who visit the island after a lapse of even four or five years, and the surge and bustle of Port-of-Spain tell a similar story in Trinidad. These two islands and to a lesser extent Barbados are the natural magnets for industry in the Federated islands and, much as one sympathizes with the longings of the Windwards and Leewards to follow their example, they can hardly hope to succeed save to a minor extent. But it can well be argued that, if wasteful and cut-throat competition in incentives is to be avoided, this very fact points to the need for a degree of central co-ordination closer than Jamaica has so far been willing to admit and nearer to the ideas (premature and over-abrupt though they may have been in their presentation) expounded with force and clarity in the Trinidad Government's essay on "The Economics of Nationhood". The relative inexperience of the new Federal Government is a short-term obstacle only, and should be curable almost overnight if more of the right key men, both politicians and civil servants, could be persuaded to transfer to its service. The European example is a clear pointer. Indeed, although the analogy cannot be pushed too far, the current British realization of the dangers of being left out of "The Six" might repay study by Jamaicans, whose misgivings are perhaps broadly comparable to those which have kept us outside.

Certainly there are many indications that investors in this country would be more attracted by a strong Federation and are hesitant to put their money there while its future remains in doubt.

A Long Way to Go

ACCEPTING then, for the moment, the proposition that the right kind of Federation for the West Indies is one that will enable it to achieve effective rather than "minimal" sovereignty, the maximum of economic growth, and economy in governmental overheads consistent with geographical realities, how far does the present Federation serve these ends? The short, blunt answer must be: "Not, as yet, very far." The Customs Union which is an economic *sine qua non* is not yet on the stocks: indeed there is not yet much sign of agreement on major details of Sir William Croft's design.* The Federal Government's powers in the economic field are embryonic and have so far enabled it to achieve little beyond exhortation, some useful help with planning in the small islands and a brave attempt to equip itself with basic information. It cannot bargain effectively, since the effective power still lies with the units. Above all, it is hamstrung by inadequate finance. It has no taxing power of its own, and apart from small and fluctuating currency profits it depends for its entire income on a levy raised from the unit governments limited by the Constitution to the ludicrously small total of less than £2 million a year—about one-seventeenth of the current Trinidad budget alone. Its prospects of raising a loan in these circumstances can be guessed at.

This was the situation facing the conference which met in Trinidad last September to review the Federal Constitution. The Trinidad Government, who had clearly done their homework with the thoroughness characteristic of their Premier, had tabled a well but ruthlessly argued paper calling for very wide powers to be given to the Federal Government over the whole economic life of the region. The Jamaicans, for the reasons outlined above, would have none of it. Whether in fact a compromise could have been reached will never be known, because the conference stubbed its toe at the outset on the other Jamaican demand, that they should be represented in the Federal House of Representatives in numbers proportional to the population. On the face of it this is a reasonable enough demand. There is certainly a case for some increase beyond Jamaica's present seventeen out of forty-five, and Jamaica would probably not press for the full proportion immediately since this would give them an absolute majority of the total membership. This hurdle will probably be surmounted when the conference reassembles, and the way will be clear for the Great Debate on the powers which the Federal Government should have to equip itself for life as an independent member of the Commonwealth. This argument can only be resolved by West Indians, but their friends may be allowed to hope that they will settle for something rather more than the minimum which would enable them to rub along. Without necessarily going all the way with Dr. Williams, at least at the outset,

* Report of the Trade and Tariffs Commission, published by the Government of the West Indies, 1958 (W.I. 1/58).

one may perhaps hope to see the Federal Government emerge with real power to control its tariff system and to bargain effectively in that field; to provide a common internal market and determine common taxation incentives; to enjoy the financial power and standing to raise loans in the money markets of the world and to make effective use of its constitutional powers in fields such as communications which need unity of direction and initiative; and to provide at least the smaller islands with joint services which it would be wasteful to provide in septuplicate. Lesser powers might enable an independent country to scrape through, but not much less will give it the power and standing to hold up its head in the Commonwealth and the world at large and so enjoy the only independence worth the name.

WHITE HOUSE SWEEPSTAKES

ENTRANTS FOR THE PRESIDENTIAL CONTEST

THE race for the presidency, which is run anew every four years in the United States, is now well launched. It is a considerable understatement to remark that in no other country does the choice of the chief executive embrace such an array of public speaking, transcontinental travel, opinion polling and conferring in "smoke-filled rooms", plus the "hoorah" of two national political conventions.

With the respective Republican and Democratic candidates now identified, though some are "declared" and some are still "undeclared", it is noteworthy that the 1960 White House sweepstakes are distinguished by three circumstances:

1. The Republican Party has one official candidate, and one alone, the Vice President, Richard M. Nixon. At this stage it is unusual for rivals to have bowed out, as did Governor Nelson Rockefeller of New York, though the Republicans always seem to handle their selection process more tidily than the Democrats.

2. The Democrats have a remarkably large array of hopefuls, and—what is most unusual—nearly all of them are to be found under the dome of the Capitol. Whereas presidential candidates usually appear from the ranks of the State governors, this year most of them are Senators, with the exception of one "dark horse", Chester Bowles, former Ambassador to India, who is now a Representative, and Adlai E. Stevenson, the two-time Democratic candidate, who is the least active prospect of all.

3. The Republicans seem to have the better of the issues, and one encounters Democrats who at this stage despondently suggest that the battle is lost almost before it is begun. However, Democrats traditionally seem to find more excitement in politics than do Republicans, and the party is expected to come out of its slump and develop a will to win before many weeks have passed.

Opening of the Campaign

THE Democrats have had a "campaign kickoff" dinner in Washington, at which all the prospects (with the exception of Messrs. Stevenson and Bowles) took their turn at displaying their forensics and ideas on the rostrum and spoke for a scheduled seven minutes apiece. The Republicans, as usual more affluent, flew President Eisenhower to Los Angeles to deliver an opening campaign address, while Vice-President Nixon was speaking from Chicago and Governor Rockefeller—now that it was of no special use to him—had the honor of speaking from Washington.

The Republicans, of course, possess two major issues—"peace" and "prosperity"—and these continue to exert a powerful impact on the election

prospects. The party is developing a third issue—"continuity"—the fact that Vice-President Nixon, if elected President, will carry on with Mr. Eisenhower's own philosophy and objectives, including even the effort to work out a *détente* with the Soviet Union, though with evolving concepts to fit evolving problems. "Continuity" also reminds us that Mr. Nixon had his tutelage under the unprecedentedly popular President, and is thus especially equipped to follow in his footsteps.

There is a feeling among the political "pros" that "peace" and "prosperity" are almost unbeatable, even as in Franklin D. Roosevelt's day the Republican lament was that "you can't defeat Santa Claus"—meaning the relief handouts and popular spending by the "New Deal" Democrats.

The United States obviously is at peace, and President Eisenhower is working to build international good will through his journeys to India, South America and the Soviet Union. The Democrats do not oppose these travels, but it is the Vice-President, who has himself been an indefatigable oversea traveller (and indestructible too, before the Venezuela mobs) in the cause of improving the image of America abroad, who benefits the most from this Eisenhower initiative.

The Four-Power Summit conference at Paris in mid-May will measure whether the President has made perceptible progress in his effort to reduce what he termed, at a White House stag dinner, the "plateau of tension" between the U.S. and the U.S.S.R. A bout there with an intransigent, threatening, Nikita Khrushchev could seriously depreciate the luster of the "peace" issue, and a certain few Democrats who have been hesitant about summitry and the validity of the "Camp David spirit" would be able to say "We told you so". But so far, peace is potent.

The "prosperity" issue seems particularly durable this year. Settlement of the long steel strike was the signal for industry to forge ahead in a production spree which is likely to make 1960 the most prosperous year in United States history. Again the steel companies are making heavy profits, despite moderate wage concessions to the Steelworkers Union. Other great industries are doing likewise, and, while there are scattered predictions that the economy will slacken off in the second half of the year, other economists see the boom lasting well into 1961.

There are still pockets of serious unemployment in certain blighted areas, such as the anthracite coal towns of Pennsylvania, but expanding job opportunities are largely taking care of the annual crop of new workers (even with automation), and if the adage is true that the Republicans benefit in times of prosperity, the party should prosper this year.

The New Nixon

THIS adage, of course, applies chiefly to the contest for the presidency. In the elections to House and Senate (all the House is up for re-election, and one-third of the Senate, this November) local issues and the personalities of the candidates are more largely determinative. Mr. Nixon is personally embarked on an "operation bootstrap" early this spring, urging State chairmen and local party officials to seek out more attractive candidates. The

Democrats have too large a majority in the Senate (65 to 35) and probably in the House (280 to 152) for the Republicans to capture control of Congress. If Mr. Nixon wins the presidency, the nation must face another two years at least of divided government, with one party holding the White House, the other party entrenched on Capitol Hill.

In the presidential contest, the Republican candidate seems, at least as of now, to be prepared to behave as the "new" Nixon. In his early campaign speeches the old slashing attack of 1954-56 and the subtle debaters' innuendo, accusing the Democrats of being "taken in" by the Communists, are absent. In their place are thoughtful, incisive discussions befitting an aspirant for highest office.

There is of course much public debate as to whether Mr. Nixon has indeed grown with experience and matured in office, as his behaviour would indicate. Three biographies on the "man no one knows well" have appeared, all by experienced reporters. The book by Earl Mazo of the *New York Herald-Tribune*, a product of numerous painstaking interviews with the Vice-President and his associates from young Quaker days in California to the present, makes no final judgement. The pros and cons—the "anything to win" campaigns of Mr. Nixon the young Congressman and his responsible services as Vice-President—are all discussed. The book by William Costello, major portions of which appeared in the *New Republic* magazine, comes down heavily on the negative side. Costello's verdict is that Nixon won't do for the presidency.

The third book is a dual portrait of Nixon and Rockefeller by Stuart Alsop, who concludes that Nixon has indeed been elevated by his constant close proximity to great issues. He finds Mr. Nixon a man of quick intelligence, high courage, vast energy and ability to act decisively. He concludes that he's eligible.

As if to display his astuteness immediately, Mr. Nixon has outlined a formula for victory which by no means stands pat on the Eisenhower accomplishments. Rather does it use them as a launching pad, from which to soar to new policy as events demand. The Vice-President, in his first speech after announcing his candidature, declared that the United States should "never settle for being second best in anything", clear indication that he would move faster in the defense and space race with the Soviet Union.

He also referred to "inadequate classrooms, underpaid teachers and flabby school standards", enunciating educational goals beyond those of the Eisenhower Administration. He moved several paces ahead of the current Republican farm policy, and hinted at new policy for settling labor-management disputes. If initial utterances be any guide, biographer Mazo is right in predicting that a President Nixon would be a "strong" chief executive, and that no one would be in the dark concerning his position on major issues.

The only other Republican contestant, Nelson Rockefeller, is back in Albany, New York, in his State governor's chair. Some Eastern seaboard political experts aver, however, that though he has formally withdrawn from the race, he is still tremendously interested in the job. The party politicians preferred Mr. Nixon. But those close to the New York governor say he is

ready, at any change of public sentiment, any shift in the political climate (such as a souring of Soviet-American relations), or any false step by Mr. Nixon, to move back into the fray.

A Plethora of Challengers

THE multiplicity of Democratic candidates, and their various liabilities, are characterized with witty brevity in a recent comment by Congressman Celler, a New York Democrat: "There's Senator Douglas; he's too old; Senator Kennedy, he's too young; Governor Meyner, he's too minor; Senator Humphrey, he's too talkative; Senator Johnson, he's too South; Governor Williams, he's too soapy; Adlai Stevenson, he's too often; Senator Symington, he's my man!"

Senator Paul Douglas of Illinois is not in the running. Senator John Kennedy of Massachusetts is the front-runner, well ahead in the number of ballots amassed for the Democratic convention in Los Angeles in July. He is a serious student of affairs, personable, and wealthy. He is handicapped chiefly by his youthful appearance (he is 42) and by his Roman Catholic religion. Governor Meyner of New Jersey has made no political headway. Senator Hubert Humphrey of Minnesota is a "born Candidate", forthright, an excellent speaker, ebullient and energetic, a midwest progressive, probably too liberal for the southern wing of his party or for luring Republican votes.

Senator Lyndon Johnson of Texas, the powerful Senate Majority leader, has the "solid South" behind him, and some strength in the Midwest. He is angling for support in the East, arguing that Kennedy will not win the requisite 761 votes in the early convention balloting and that his prospects will then fade. Then, argues the forceful Senator, the Johnson record of "responsibility"—he has backed the President's legislation frequently—should commend itself. Senator Johnson's handicap is that the Negroes and minority voters in the big cities—the "swing" vote which sometimes determines the outcome—are not likely to admire his candidature, though he is striving to put through Congress a new civil rights Bill this year.

To carry on with the list, Governor Mennen "Soapy" Williams—son of a soap-making family—is a many-times-elected, still-youthful, governor of Michigan who has somehow never quite impressed himself as presidential timber.

Adlai Stevenson, who has been travelling in Latin America, is conducting a waiting campaign—waiting in his law office to see whether the convention deadlocks. Will it turn once again to this man whose insight into and articulation of great issues has won him a loyal and determined following among the intelligentsia all across the United States? The peril in his posture is that the office may not seek the man, but Mr. Stevenson, who campaigned arduously in 1956, persists in his intention not to "lick a four-cent stamp" to obtain the nomination in 1960.

Senator Stuart Symington of Missouri is indeed "my man" to a wide spectrum of the Democratic Party, but only in the sense that he is widely acceptable as the possible second or third choice if the favorites are defeated. As a former Secretary of the Air Force, he has made criticism of the "missile

gap" his strong point; he is also knowledgeable on farm policy, is a business man who is at least mildly admired by labor leaders, and a border stater whose civil rights stance is acceptable to the North and whose personality does not offend the South.

This is the sum total of the Democratic luminaries, with the exception of Connecticut's Congressman Bowles and Governor Edmund "Pat" Brown of California. Mr. Bowles is a personable, avowed liberal, skilled in foreign affairs, widely travelled, ruggedly handsome. But he is not pushing his candidature, otherwise than to write a perceptive book on world issues. He remains the darkest of dark horses. Next less dark is Governor Brown, who is prominent chiefly because he is from a very populous State and is a hard-working governor. He is a Roman Catholic. Pedestrian in outlook, he has not recommended himself as having the breadth of vision nowadays associated with the presidency.

As the campaign has fashioned itself so far, the Democrats have largely avoided attacking President Eisenhower, with the exception of young Mr. Kennedy. Mr. Eisenhower's latest standing in the Gallup Poll—with 71 per cent of those questioned approving his stewardship, a figure one percentage point below his peak popularity of March, 1957—makes him a formidable opponent. Democrats have difficulty reminding the voters that Mr. Eisenhower is not the man whose qualifications they are considering.

The Democrats have no such hesitancy about "zeroing in" on Vice-President Nixon, that is, the "old" Nixon of the sharp campaigning technique. Senator Symington has labeled him "Sir Richard the Nimble" and the epithet "Tricky Dick" is frequently heard. To all of this the Vice-President presents an attitude of amused superiority, galling to his opponents but effective with the public. He is the man engrossed with great affairs at the White House level, snatching time out to campaign on important issues, but with no inclination to reply to low-level Democratic attacks. This is his stance, and he has turned the tables on his opponents.

A Catholic Candidate

THE one candidate who has attacked the Eisenhower image is the man who has campaigned hardest, longest and most widely, Senator Kennedy of Massachusetts. In his opening speech at the National Press Club in Washington, he referred slightly to Mr. Eisenhower in these words:

The people demand, for the next four years in the White House, a vigorous proponent of the national interest—not a passive broker for conflicting private interests. They demand a man capable of acting as the Commander-in-Chief of the Grand Alliance, not merely a bookkeeper who feels that his work is done when the numbers on the balance sheet come out even. They demand that he be the head of a responsible party, not rise so far above politics as to be invisible.

Beyond the gloss of the "peace" and "prosperity" issues, there are indeed tremendous challenges to America which will demand attention during the next four years. There is the continuing Soviet thrust in the field of missiles and space—and the equally urgent question of how to respond wisely to Premier Khrushchev's proposals for total disarmament.

There is the need for "follow-through" in foreign aid after President Eisenhower's goodwill missions to Asia, Africa and South America. The plight of the underdeveloped areas has been publicized and President Eisenhower has given assurances of sympathy and support. Now is the time for a consortium of the highly-industrialized powers of the free world—the United States, Britain, Canada, West Germany, Japan—to produce a joint program for mammoth developmental assistance in the public and private sectors—for India, Pakistan, the Middle East and the new African domains.

Senator Kennedy still faces the imponderable impact of his religion on his campaign. There has never been a Roman Catholic president, and the only Catholic nominee with any prospect of winning, Alfred E. Smith, Democratic challenger in 1928, was badly defeated.

Senator Kennedy has declared that he believes heartily in the separation of Church and State, that he endorses the guarantee of religious freedom embedded in the Constitution of the United States, and that he would uphold his oath of loyalty to his country. He feels that this disposes of all charges and believes the campaign should move on to other issues.

A statement by the Roman Catholic bishops, declared to be binding on Catholics, opposing American espousal of birth control in its foreign aid ventures, threatened for a time to involve Mr. Kennedy in special controversy. He said he had always personally opposed foisting such measures on other nations—that it would be a resented interference—and the issue subsided somewhat.

There are still questioners, however, who note the practice of the Roman Catholic Church to make rulings binding on all its members, and they ask whether, if the bishops should issue a new decree concerning secular matters, Senator Kennedy would consider himself bound to comply.

Senator Kennedy has discussed the general religious issue with refreshing candor. How it will really affect the prospects of the candidate who has already amassed a large block of pledged convention ballots remains to be tested. If he fails to win on the first two or three convention ballots, the present feeling is that his prospects will fade and the Democrats will try to unite on Senator Johnson; that failing, on Senator Symington; and that failing, they will turn once again to the quietly waiting Adlai Stevenson.

Whoever is nominated, it must be reiterated, will indeed have a formidable task against the resourceful Mr. Nixon. The Vice-President is a man with few intimate friends, he is his own "Jim Farley" (chief political adviser), he writes all his own speeches, and he devises his own effective strategy. It will not be easy to defeat this "heir presumptive".

United States of America,
February 1960.

INDO-PAKISTANI RELATIONS

AREAS OF CONFLICT

WITHIN the last six months, as observers in other Commonwealth countries have noted with relief, the relations between India and Pakistan seem to have taken a turn for the better. Since its accession to power in October 1958, the Revolutionary Government of Pakistan has repeatedly emphasized its desire for a good understanding with India. It has given tangible proofs of its sincerity by implementing, and carrying further, the tentative agreement over border disputes reached in September 1958 between Mr. Nehru and Mr. Firoz Khan Noon—the last Pakistani Prime Minister to hold office before the Revolution. As a result, border incidents have ceased. Moreover, Karachi's clear appreciation of what both countries have to gain from friendlier relations has been demonstrated in a number of other ways. The long-standing dispute over the divisions of the water resources of the Indus Basin has at last been resolved in principle; and an international treaty embodying the final settlement is now being drafted. Commercial relations between the two countries have been set on a more rational footing; progress has even been made in disentangling the nexus of financial claims and counter-claims which each Government has obstinately upheld as part-successor to the assets of the British *Raj*. At least equally important, as indications of Pakistan's friendly attitude, have been President Ayub Khan's frank offer to co-ordinate defence arrangements with India for the benefit of the sub-continent as a whole; and his personal call upon Mr. Nehru in Delhi last September.

Taken by themselves, these developments are encouraging; but they inevitably suggest two questions. What is their real importance? and how far are they likely to lead in the direction of a permanent change for the better in Indo-Pakistani relations? To answer these questions fully would necessitate not only a detailed examination of the history of these relations from 1947 to the present day, but also a survey of the causes which originally led up to the division of the sub-continent into two independent States. Space forbids this procedure. All that can be attempted here is to outline the main causes of the chronic tension between the two countries which has become dangerously acute from time to time during the last twelve years; and to assess, against this background, the prospects which the latest developments seem to offer for some real and lasting improvement.

Before proceeding with this outline, it is necessary to bear in mind two obvious limitations in the progress which has already been noticed. The first is that nothing at all has so far been done about Kashmir—a major quarrel in which the two sides stand as far apart as ever. The second is that India, while she has shown herself ready to reach agreement with Pakistan on particular matters in dispute which have so far been taken up, has given no evidence of a desire for any such radical change of attitude towards her

neighbour as now appears to underlie the policy of Pakistan's new Revolutionary Government. The importance of the first limitation is obvious at first sight; it will receive more detailed notice later on. The importance of the second limitation must now be defined.

It will be clear to anyone who has followed the course of Indo-Pakistani relations since the two countries achieved independence that the causes of the recurrent crises between them fall into two main categories. First, there are specific quarrels, such as those over border incidents, the division of assets, refugee claims and counter-claims, sharing of water resources, and the like—and above all, perhaps, over Kashmir. Secondly, and at least as important, are the different outlooks of the two countries which shape the mental image that each has formed of the other, and serve to complicate in notable degree the achievement of a really cordial understanding between them. The conflicting nature of these mental images deserves more attention than it has received from observers in other Commonwealth countries, for it explains more clearly than do the specific quarrels those outbursts of ill-feeling on both sides which have been occasioned from time to time by what seems, to the outside world, a succession of comparatively trivial incidents.

The Indian View of Pakistan

WHILE it would be misleading to generalize too sharply about the attitude of ordinary Indians towards Pakistan—if only because this attitude varies from individual to individual—it is broadly true to say that in many Indian minds the mere existence of Pakistan gives rise to a feeling of something like resentment. The emergence of Pakistan as a separate nation contradicted the claim of the Congress Party to voice the aspirations of the old undivided India. It ran clean counter to the ideals of the Nationalist movement as set out by Mahatma Gandhi and Mr. Nehru. It showed that the conception of the Secular State had failed to win the confidence of the majority of the Muslim community within the sub-continent. And if the rise of Pakistan to nationhood seemed a reproach to Indian good faith, her continued existence represents to many Indians a kind of flaw or weakness in their own position. Possibly for this reason, there are people in India today who still maintain that Pakistan was deliberately created by the British as a "Western base" inside the sub-continent in order to cripple India and to handicap her efforts to win for herself, and for other newly-freed Asian countries, that "place in the sun" to which she feels that she is entitled. The historical absurdity of this view does not suffice to discredit it; it expresses a feeling which is impervious to fact because it is rooted in the emotions. In the case of persons who are too sensible—or too well-informed—to lay all responsibility at the door of the British, this feeling that Pakistan really ought not to exist takes the form of speculation whether the division of the sub-continent could not have been avoided if certain Congress Party leaders had shown, at critical moments, more enlightened statesmanship—or greater generosity. Among some men of influence, as the posthumous memoirs of Maulana Abul Kalam Azad indicate, speculation of this type has hardened

into definite assertion. In short, to the Indian mind, with its characteristic tenacity of purpose and occasional inability to let bygones be bygones, the emergence of Pakistan is still something which ought not to have happened.

This rock of offence is further magnified by the obvious fact of Pakistan's survival in the face of economic difficulties and geographical contradictions which the great majority of Indian—and for that matter foreign—economists confidently asserted would make her completely unviable. In her struggle to overcome these obstacles, Pakistan has received no help from India at all—rather the contrary. In view of the tragic massacres which accompanied partition, and the narrow avoidance of full-scale war between the two countries over Kashmir, it could scarcely have been expected that India would assist Pakistan over her initial difficulties. Yet the fact remains that if Indian commercial and business interests had shown themselves more co-operative, Pakistan might have been content to allow the old trade-pattern of undivided India, under which territory that had become Pakistani supplied raw material for the use of Indian industry, to continue. In the event, Pakistan, forced to the wall, as it were, by economic pressure from the Indian side, set to work to create her own new economic pattern, and emerged at length, not as a good customer of India, but as a country striving after economic self-sufficiency, and even as a competitor in such commodities as manufactured jute; thereby further accentuating India's original sense of grievance.

To say all this must not be taken to impute any sinister intentions towards Pakistan on the part of Mr. Nehru or of those who shape India's external policy. Even in times of crisis, Delhi has never failed to respect Pakistan's sovereign equality of status as an independent Power. Yet in these high quarters also, Pakistan's existence has proved embarrassing in some matters, domestic and foreign. The mere presence, next door as it were, of an Islamic State, basing itself specifically on religious principles, increases the difficulty of securing respect for the secular ideals which India officially upholds against the Mahasabha and the Jan Sangh, with their communal aspirations for a Hindu *Raj*. Moreover, however loyal to India the Indian Muslims, between thirty and forty millions strong, have proved themselves to be, the belief that they may, after all, have some residual sympathy with Pakistan is firmly held in some influential Hindu circles. In so far as this belief exists, it increases Mr. Nehru's difficulties in championing the ideal of a common citizenship, transcending religious differences, upon which the structure of modern India has been built. It is safe to say that if there had been no Pakistan, Mr. Nehru's task in fighting communalism in India would have been easier.

Nor does the difficulty end here. India finds that her nearest neighbour—her partner in the sub-continent—is pursuing a foreign policy diametrically opposed to Mr. Nehru's own policy of non-involvement in the two major world-groupings. If Pakistan were as distant from India as, say, the Indonesian Republic, this would matter little; she could pursue her chosen line without embarrassing India. But as things are, this is not the case. How, argues India, can she hope to keep her own part of the sub-continent on the narrow path of "dynamic neutralism" if another part of the same sub-continent

is frankly aligned with the Western democracies in opposition to the Communist bloc? To put the issue in crude terms, the possibility of Pakistan's being involved in an East-West conflict threatens the effectiveness of India's determination to hold aloof. It is for this reason that Mr. Nehru attaches such sinister importance to American aid to Pakistan's armed forces, in spite of the rigidity of Washington's insistence that American supplies must be used defensively, and in no case against India. Moreover, Pakistan affords a standing contradiction to Mr. Nehru's doctrine that territorial pacts are disturbers of the peace; her foreign policy pivots upon her membership of the Central Treaty Organization and of S.E.A.T.O.; and she does not hesitate to enter into close relations with former "colonial" Powers in pursuit of common aims. Again, particularly in the early years of her independent existence, Pakistan seemed likely to emerge as the leader of a group of Muslim Powers in the Middle East. Such a development did not square with the plans of Delhi; it was countered by India's encouragement of a wider Asia-Africa grouping, with anti-colonialism instead of religion as the common bond. But Islam is a strong link; and India still feels that Pakistan may exploit it internationally, to the confusion of India's officially proclaimed belief that religion and politics ought to be kept apart. This belief is held with particular tenacity by Mr. Nehru himself; there can be little doubt that it strongly influences his views about Pakistan's domestic and foreign policy and is quite possibly a major factor in determining his unyielding attitude over Kashmir.

One final element in the Indian mental picture of Pakistan needs to be pointed out: it is the impression of dangerous instability deriving from Pakistan's political vicissitudes. From the time when Liaquat Ali Khan, Mr. Jinnah's ablest follower, was assassinated, right down to the emergence of the Revolutionary Government, Pakistan was afflicted with a succession of weak administrations, maintained in power by uneasy coalitions and corrupt pressure-groups. Had things rested there, India might have been content to regard with some complacency the contrast between her neighbour's floundering search for a constitution and her own brilliantly successful handling of parliamentary (if single-party) democracy; between Pakistan's constantly changing kaleidoscope of factions and her own political stability under the leadership of Mr. Nehru. But circumstances made it impossible for India to view the misfortunes of her neighbour with any such detachment. The weak Pakistani administrations proved powerless to control demagogues, and indeed political groups, who fostered, for their own selfish ends, animosity against India by exploiting the areas of conflict which developed from time to time between the two countries. There were recurrent demands for the proclamation of a *jihad* against India on the grounds that fellow Muslims were being oppressed in Kashmir. However wildly impracticable such demands might appear in the light of India's own overwhelming superiority in warlike resources, India has always felt obliged to take them seriously, if only because she never knew when one or other of the rapidly changing administrations in Pakistan might seek relief from domestic weakness by staking its fortunes upon a desperate throw of the

dice. The formidable concentrations of India's best troops in the Valley of Kashmir, in Jammu, and along the frontier with Pakistan, to the virtual neglect of other areas (a neglect which the Chinese have been quick to exploit) clearly prove India's deep mistrust of Pakistan—a mistrust underlined by Mr. Nehru's warning that if hostilities were to break out in Kashmir, India's operations would not be confined to that area alone, as well as by the repeated Indian protests against the supply of arms to Pakistan by the United States.

The Pakistani View of India

THE general attitude of India towards Pakistan which has been outlined above presents a considerable contrast with the general attitude of Pakistan towards India. Broadly speaking, the average Pakistani, although he may resent what he considers the injustice of some of India's actions, displays no animosity against the fact of her existence. Apart from the professional trouble-makers and the small section of intolerant fanatics (both firmly under control since the Revolutionary Government came to power) there is general acceptance of the facts that India is a larger, wealthier, and more important country than Pakistan; her strength, and the formidable nature of her resources in manpower, in intellect, and in professional competence are freely acknowledged, and acknowledged without envy or bitterness. The complaints which are made against India are directed, not against her superior wealth and power, but against her behaviour towards Pakistan over particular issues, in which she is accused of using her wealth and power to gain her ends with little heed to the rights of this weaker neighbour. Pakistanis do not set out to rival India in any way; they do not pretend that they can compete with India's remarkable record of development along many avenues of progress. They readily admit that their own record is poor by comparison, and that they have made many mistakes by which they hope to profit in the future. And since they look on the creation, and the survival, of Pakistan as direct gifts from God, of which they must strive to be worthy, they are at one and the same time tenacious of what they regard as their rights, and confident that in the long run justice will be done to them. A strong vein of practicality shapes their attitude to India, as to so many other factors in their national outlook. They believe that Hindus, just because they were ruled for eight centuries first by the Muslims and then by the British, lack practical experience both in the art of self-government and in the handling of international affairs in a dangerous world which refuses to conform to the enlightened theories that India expounds to her own complete satisfaction. They believe that her policy of "dynamic neutralism" is mistaken, because they feel that no nation which prizes spiritual values can safely stand aloof from the struggle against the advancing tide of Communist materialism; but they admit her entire right to pursue it. All that they can do—and they have done it—is to offer help when China upsets India's calculations by snapping the silken reins of Mr. Nehru's prized code of international conduct as laid down in the Five Principles of *Panchshila*. They genuinely desire good neighbourly relations with India, not only because they believe that such

relations are in the best interest of both countries, but also because bad relations weaken the power of the sub-continent as a whole to defend itself against troubles from without. They take quite seriously the possibility that the Soviet build-up in Afghanistan and China's "forward policy" on the Sino-Indian frontier may be parts of a pincer movement affecting the whole sub-continent. Thinking along these lines causes Pakistanis to ridicule India's precautions against a possible attack from their side as sheer lunacy; they can hardly believe that Indians, as sensible people, seriously expect Pakistan to behave so madly; and are inclined to see, in the heavy concentrations of Indian troops on the border, an attempt to put pressure on a weaker country to yield its rights on certain matters in dispute. If their own country were to be invaded, Pakistanis say, their army would give a good account of itself, because they have been in no hurry to dispense with British technicians, and the old standards of efficiency have been well maintained; but they disclaim as incredible the possibility of aggressive action.

The main point which emerges from this summary analysis of the picture that each country has formed of the other is the extreme difficulty of effecting the kind of reconciliation between the two images which genuinely cordial relations would require. The thinking of each side is on a different plane; or perhaps along those parallel lines which never meet even if indefinitely extended. An example of this is to be found in President Ayub Khan's offer to concert measures of common defence. From the Pakistani point of view, this was a friendly gesture, made in complete good faith, to strengthen India's hand in her difficulties with China. It seemed all the more timely because Mrs. Indira Gandhi, last year's Congress President, had frankly acknowledged that it was no longer necessary to believe that Pakistan's armaments were directed against India. Yet to Mr. Nehru the offer was an embarrassment. To accept it would mean an admission of the failure of his policy towards China, perhaps even an admission of the failure of "dynamic neutralism", since such a link with Pakistan would bring with it inevitable links with the west, or, at least, would be so interpreted in Peking and other Communist capitals. Nor was the situation improved, from the Indian Prime Minister's point of view, by the hearty approval accorded in the western world to President Ayub Khan's offer, or by the painstaking calculation of western military commentators that while India alone could hardly hope to contain a thrust from China, the Indian and Pakistani armies, operating together, could probably do so successfully. In the event, Mr. Nehru did nothing about it; and he has not, so far, returned President Ayub Khan's courtesy call.

No Progress in Kashmir

AN even clearer illustration of the almost measureless gap between the Indian and the Pakistani points of view is provided by Kashmir. No account of the intricacies of this notorious dispute can be attempted here; it will suffice to remark that since each side has approached the quarrel from wholly different premises, the conclusions drawn are diametrically opposed. To India, Pakistan appears an aggressor, who has fomented rebellion and

discord throughout the former domains of the Kashmir Darbar, and has obstructed the peaceful incorporation of much of these domains, as sanctioned by the lawful agreement of their Ruler, within the Indian Union. Nor, in Indian eyes, does the offence of Pakistan end here. By some means not clear to India, Pakistan has contrived, in face of her own illegal behaviour, to put India in the dock before the bar of world opinion, so that India, in spite of her unassailable legal position, is commonly regarded, in the West, at least, as holding down a large part of Kashmir by force of arms, and as refusing the inhabitants the right to the plebiscite prescribed by the Security Council as a means of enabling them to express their wishes. How, India asks with some irritation, can a plebiscite be held within a part of the Indian Union—more especially as the population, being largely Muslim, would almost certainly vote by a majority for incorporation in Pakistan? In spite of all the brilliant advocacy that has been devoted to the Indian case—so unassailable in Indian eyes—the rest of the world remains unconvinced; and Indian pride is affronted by the accusation that she, the champion of the rights of small nations to self-determination, is violating the very cause which she professes to uphold.

The Pakistani view of Kashmir is simple: it is based on the right of the Kashmiris to decide their own fate, and to decide it by a plebiscite conducted under United Nations auspices. Pakistanis admit that in 1947 they expected Kashmir to come to them; and that amidst the weakness and confusion which attended Pakistan's early days some serious mistakes were made. But they maintain that, ever since the Security Council took cognizance of the case, they have done all in their power to facilitate the holding of the plebiscite, the result of which they have bound themselves unconditionally to accept. From 1948 right down to Dr. Graham's latest proposals of last year, it has been Pakistan that has accepted every suggestion for a settlement in face of India's unyielding opposition. That Pakistanis are genuinely moved by the unhappy fate of the Kashmiri people need not be doubted; they point out that what India calls rebellion, the Kashmiris term a struggle for national existence. Pakistan makes no secret of the help which she is affording to Azad Kashmir in its efforts to give Muzufferabad and parts of Poonch a creditable, progressive administration, any more than she denies infusing new life into the sorely-oppressed territories of Gilgit and Baltistan which joined her of their own free will, or rendering such assistance as she can to the unhappy refugees from Indian rule in Jammu and the Valley of Kashmir who have flocked to her protection. But she also asserts that these lamentable divisions which have overtaken the people of Kashmir can be healed in one way, and in one way only—by the plebiscite which India refuses to permit. Meanwhile, Pakistan maintains, the whole of Kashmir is "territory under dispute", the rights of which must be preserved; and she is inclined to accuse India of trying to buy off China by turning a blind eye to the construction of the road through Ladakhi land, which it was India's plain duty to protect intact.

Between standpoints so diametrically opposed, the hope of reconciliation seems small. Probably the best thing that can happen is that the *status quo*

should be maintained until the present generation of *dramatis personae*, whose prestige is too deeply involved to allow a change of attitude, passes from the stage. Pakistan hopes that India will have second thoughts, and will eventually recognize the trend of world opinion; perhaps that is why she seems to be making no new effort to bring the Kashmir case to India's attention at the moment. Indeed, it is a fair deduction from her actions that she may be ready to leave this problem to the future while she concentrates on removing other causes of friction. She has herself taken the initiative in negotiations for the fixing of the border with India both in the east and in the west. Thanks in large degree to friendly give and take on both sides, and to the commonsense "ground rules" originally framed by Major-General Umrao Khan to eliminate friction on the Bengal border, agreement has been quickly reached over joint demarcation of disputed boundaries on all but one* of the dozen or so points where "incidents" have occurred. It is a heartening sight to see the mixed working parties of Indian and Pakistani surveyors sharing a common camp and carrying out their task in friendliest co-operation. It suggests that in the last resort the best hope of good relations between the two countries lies in the fact that Hindus and Muslims, if allowed to follow their personal inclinations, understand each other pretty well, and rub along not too badly.

The Waters Divided

A SIMILAR spirit is marking the concluding stages of the troublesome and dangerous dispute over the division of the water resources of the Indus Basin, the course of which was outlined in these pages in September 1958.† The final solution follows the lines there indicated; a consortium of Western nations is helping to finance schemes for constructing storage works and irrigation canals which, after a ten-year period, will free the three eastern rivers for India's sole use. The drafting of the international treaty, which is to be ready for signature this summer, is a delicate matter because India's wish to make more use of water from tributaries of the Indus—which goes to Pakistan—where they flow through Indian-controlled parts of Kashmir must be reconciled with Pakistan's determination not to recognize India's local position until the Kashmiris themselves endorse it. But Pakistan has set her heart upon a settlement; her exchanges with India have been marked by a spirit of conciliation which has evoked a corresponding response. The considerations which have influenced Karachi are primarily political: Pakistani engineers, while welcoming a settlement on broader grounds, do not minimize the difficulties of the technical problems which they will face. The cross-country canals which will bring water from the western rivers to Pakistan's eastern canal colonies cut across natural drainage lines; the last

* The exception is Chad Bet, in the Rann of Kutch, the ownership of which, as both sides have agreed, will depend upon the results of further research into the difficult question of the exact boundary between the former princely State of Kutch and the former British province of Sind.

† See "Waters of Strife", THE ROUND TABLE, No. 192, September 1958, pp. 361-9.

monsoon breached one of them in twenty-eight places, and it had scarcely been repaired before a late flood ruined it once more. Nor is this the only difficulty. These link canals will gravely increase the problem of waterlogging—already very serious—unless a large and expensive scheme of drainage works is concurrently executed. Further, the enormous reliance which Pakistan must henceforward place upon storage dams, as contrasted with “live” water, holds its own dangers, too; for silting limits the life of such dams, as every engineer knows, and what happens then? But in this, as in so many other matters, there is entire readiness throughout Pakistan to follow the lead given by the new, strong, Revolutionary Government, which seems determined to pursue a policy of amity towards India.

To sum up, the present policy of Pakistan seems to present India with an opportunity. Will she grasp it? The progress so far made in eliminating causes of friction has been confined to matters which do not involve questions of national prestige or international alignments. In the latter sphere, the positions of Pakistan and India are far apart. Will President Ayub Khan’s commonsense view that it is madness for India and Pakistan to quarrel bring the necessary response from Mr. Nehru? Only if this happens can Indo-Pakistani relations take a permanent turn for the better; and the difficulties, as has been explained, are still formidable.

UNITED KINGDOM

A LONG VIEW OF AFRICA

THIS, proclaimed the voice of Labour as January came in, is African year. If they were merely stating the obvious, it was hardly worth the fuss; if they were hoping to give an impression that the focus of attention on African problems during 1960 would be peculiarly the work of their hands, then they were making an absurdly pretentious claim. Not even the decision of Mr. Macmillan to be the first United Kingdom Prime Minister in office to tour the Commonwealth territories on the continent made this Africa's year. Government and Opposition alike are simply reacting—and reacting with urgency—to a conjunction of events, dangers and opportunities that are of Africa's own making. The statesmen and the politicians are not seeking out Africa; Africa is clamouring for their attention. But certainly, at a time when our domestic politics are running a very peaceful and unexciting course, there is a sense everywhere in Parliament that during the next few months the die may be cast that will determine the destiny of the complex of British interests in Africa.

Events of this magnitude have a flow and continuity without any natural break lasting long enough for an assessment to be made which will not run the risk of being outdated within the month; and it happens that these notes must be written at a time when Parliament has still to hear the Prime Minister's own account of his reconnaissance in British Africa, and when Mr. Iain Macleod, the Secretary of State for the Colonies, has sharply brought delegations at the Kenya constitutional conference in London in touch with political realities by confronting them with outline proposals. And meanwhile Lord Monckton and the members of his advisory commission are making their way to Central Africa to begin a study that will prepare the way for the conference on the Federal Constitution in the autumn.

One thing was always sure. Mr. Macmillan's characteristic decision to go and hear the voice of British Africa, and to make his own voice heard there will have profound effects on the reorienting of British policy and administration during the next year or two. Since he became Prime Minister in January 1957 he has developed a habit, so far as events have allowed, of isolating the big problems as he became seized of their urgency, and then concentrating his unprejudiced practical mind upon their solution. In this way he flew off to Athens, Ankara and Nicosia to discover and mark out the common ground on which Greeks, Turks and the islanders themselves, with Britain, could stand to settle the future of Cyprus; in this way he faced the stark implications of the Russian ultimatum on Berlin and to the dismay of Washington, Bonn and Paris took flight to Moscow to measure himself against Mr. Khrushchev and to find a col that offered a path up to the summit. Now he has turned to the problems of Africa. His critics, and some of his colleagues, have been known to say that he has left until very late his appreciation of the importance of Africa to larger Western interests and the danger of the pressures that have built up as nationalist movements

everywhere gathered momentum. But those who are closest to Mr. Macmillan now see that he is determined to make up for any time that may have been lost. In his typically personal way he is now addressing himself to the challenge that Africa as a whole, and particularly British Africa, presents.

His speech to the South African Parliament, at the close of his tour, made an extraordinary impression in London political circles. Anybody who knows Mr. Macmillan's methods would be sure that here was a speech that had been carefully prepared, so that every word would have its precise weight; and the tape machines were no sooner running off the key sentences at Westminster than influential voices in the Opposition were saying, "It's splendid—if he has trouble with his backbenchers we shall support him to the limit." The speech commanded admiration alike for its courage and its calm balance, and there are many in both the main political parties who were glad that at last the most eminent of British Ministers had torn aside the veils, if not of hypocrisy, then of Phariseism that have given a look of falsity and time-serving to the relations between the Union Government and the United Kingdom Government. Mr. Macmillan spoke of "some aspects of your policies which make it impossible for us to give South Africa our support and encouragement without being false to our own deep convictions about the political destinies of free men". It had been Britain's aim, he said, in the countries for which we have borne responsibility, not only to raise the material standards of life, but to create a society which respects the rights of individuals.

It was an occasion of plain speaking, although there was never a want of the civility that a guest owes to his hosts. Did the speech come as a surprise in London? There need be no doubt that it did, for the Government have been by long habit extremely tender towards the feelings of the Union Government and, after all, it is a principle of Commonwealth relationships that Britain should allow other members of the club to look after their own internal business. Moreover, when the Opposition pressed the Government, before the visit, to make a formal declaration of their detestation of *apartheid* policies Mr. Macmillan refused to give any undertaking; and Mr. Gaitskell and his colleagues jumped to the conclusion that a blind eye would be turned whenever it seemed discreet.

It was throughout a tour that required infinite delicacy, and the accounts reaching London suggest that the Prime Minister skated on all the thin ice (the reference is purely political of course) with marked adroitness. At home there have been three other particular repercussions. First, in Lagos, he used a form of words that gave members of the Opposition at Westminster an impression, or a hope, that he was at last prepared to pledge himself (as he was considered not to have done under pressure in the Commons) that Nyasaland would not be committed to the Central African Federation until the territory is self-governing and therefore may freely choose for itself. As Mr. Macmillan flew on to Salisbury, where an anxious and displeased Sir Roy Welensky waited to receive him, a transcript of a tape-recording made of the Lagos speech was hurriedly sent to London and studied. On examination, the words seemed to go no further than statements Mr. Macmillan

made in the Commons in July, and seemed to carry no implications that are not perfectly explicit in the preamble to the Central African Federal Constitution of 1953. If there is a difference in the record, it is not in the sense but in the emphasis; and the audience Mr. Macmillan was facing in Lagos would be explanation enough for this.

Secondly, there were the events at Blantyre on January 26. It needs to be said that no word or deed of Mr. Macmillan's contributed to these events (the Prime Minister appears to have been unaware anything was amiss, and he commented on the friendliness and charm of the crowd), but reports appeared in London newspapers which made serious allegations against one or two members of the Nyasaland Police Force in their handling of a demonstration. Mr. Macleod immediately called on the Governor of Nyasaland to provide him with a detailed report, and as soon as it came to hand, without accepting the allegations, he instructed the Governor to appoint a judge to investigate the incident "and, in particular, to report on the allegations which have been made against individual members of the Nyasaland Police Force". The promptitude of the Government's action made a very favourable impression upon Parliament. There is no doubt that Mr. Macleod has already succeeded in sweetening the atmosphere in which the Commons address themselves to colonial questions, partly because he is less noticeably a man of the Right than his predecessor, Mr. Lennox-Boyd, partly because he shows that some of the old prejudgments are being reconsidered on their merits, but mainly, perhaps, because the Opposition front bench find him easy to live with across the floor of the House. (Mr. Lennox-Boyd somehow gave opponents the impression of personal arrogance that was quite contrary to the impression he gave in all his private dealings.)

Thirdly, there was dissatisfaction in some quarters at home that Mr. Macmillan should have too trustingly placed himself in the hands of the Government of the Union of South Africa in the making of the decision about whom he was to meet. Everybody saw that Mr. Macmillan had set himself a political and diplomatic task of great difficulty in the Union and admired him for it, but not only the Labour Opposition were anxious that his visit should not seem to stamp a seal of approval on such policies as *apartheid*. It was significant that in advance of the visit the Council of Labour announced a campaign for a boycott of South African goods to be organized for March—not, as it happens, that it promises to come to anything.*

Bases in Cyprus

THE London Agreements on the constitutional future of Cyprus provided that the island should be given its independence on February 19; and

* In reply to a letter from the Editor asking what is thought in the Union about this boycott, a member of the Round Table Group there writes: "There is not much to say. Even the Liberal Party is divided on the subject and there have been resignations from the Liberals because the Party policy favours the boycott. Otherwise White opinion is solid against it. The usual comment is to ask why these eager boycotters don't extend their attentions to the question of the morality of trading with Mr. K. and General Franco. The supposition is that the English Labour Party feels it preferable to be rude to members of the family."

that Cyprus should then apply, if the Government and the people so decided, for membership of the Commonwealth. This time-table has now had to be abandoned. At the time of writing agreement is still outstanding on the size of two sovereign bases that were to be retained as enclaves by the United Kingdom, and it seems doubtful whether a settlement will be reached immediately. Fortunately, although there is a wide gap between the British Government and Archbishop Makarios on this question, there is every sign that none of the parties to the London Agreements wishes to run the risk of jeopardizing the settlement. Archbishop Makarios, who is no doubt concerned not to launch the independent country in circumstances that will give Cypriot extremists a grievance with which they may inflame the feelings of his people, has made it clear that the door is still open for negotiation. This suggests that the Archbishop, who has carried Turkish-Cypriot leaders with him in demanding that the British sovereign bases should cover only 36 square miles, will be willing to concede more in the end.

But the British Government give the impression that when they insist upon 120 square miles they are staking their minimum claim. The locations of the two base areas were indicated in general terms in the London Agreements, and the United Kingdom Government at first thought it would be necessary to retain areas of between 150 and 170 square miles, which would have included a Cypriot population of 4,500. At a conference in London in January, attended by Archbishop Makarios, these areas were pared down to about 120 square miles, with fewer than 1,000 Cypriots living in them. Moreover, the number of permanent British military sites on the rest of the island has been reduced from 100 a year ago to 19, in the belief that there would be room to redeploy them in the base areas. Obviously, a base area, if it is to have any military value, must provide scope for reasonable dispersion and be adequate to receive reinforcements in a time of emergency.

It is in this light that the British Government are standing firm on their reduced claim of a total area of 120 square miles as (to quote Mr. Selwyn Lloyd, the Foreign Secretary) "a minimum"; and the fact must be recognized that some Conservative backbenchers are not yet so completely won over to the wisdom of the sacrifices involved in the London Agreements that the Government can afford to surrender more ground. Last year's settlement would hardly have been quietly submitted to by some Conservatives if a general election had not been in prospect; and the only sugar on the pill was the assurance that Britain would retain sovereignty over areas of adequate size. Yet there are other Conservatives on whom (as they would say) the lesson of the Suez base has not been wasted. Mr. William Yates, for instance, lost no time in reminding the Foreign Secretary "that a base in Cyprus will not be of any value to us unless it commands the goodwill and support of the people of Cyprus". This is the typical military, political and strategic dilemma for Britain as a world power at the present time. The choice is to hold our strategic positions, if need be by force, or to be accepted by governments and peoples who are free to choose their allies. There are risks in either course, and the choice is decided in the end by the moral judgment of

the people at home and by the profit and loss account of our relations with Britain's allies.

A Feeling of Exuberance

MR. MACMILLAN and Mr. Heathcoat Amory, the Chancellor of the Exchequer, have now and again groped for a phrase or two that would sum up vividly the principle on which they are running the country's economy, and they have found nothing to serve their purpose better than a motoring image. (Are not these days when even council houses need a garage?) If the economy gets a little out of hand and starts rushing into inflation, give a touch to the brake; if it gets sluggish, give a burst on the accelerator. This picture of Mr. Amory at the wheel has somehow made simple the whole complicated subject, and nowadays every schoolboy needs only to see the newspaper bills announcing a movement of bank rate to understand that the Chancellor of the Exchequer has just moved his foot an inch or two from one pedal of the responsive vehicle to the other. Of course, he is a lucky driver who never has to bear with back-seat drivers, and Mr. Amory has not been lucky, nor is he likely to be. Mr. Harold Wilson, the Labour 'Shadow' Chancellor of the Exchequer, is not a passenger who lolls back in the limousine in the full comfort of the upholstery. He is one of those tiresome people who are always leaning forward towards the driver's ear, making helpful suggestions, issuing warning reminders of skids and collisions he has witnessed in his time, and asking what that curious engine knock portends. Thus, it was inevitable that when bank rate was raised from 4 per cent to 5 per cent at the end of January Mr. Wilson should have been right out of his seat asking the driver what on earth he thought he was up to, slapping on the brakes like that, just when any School of Economic Motoring would have prescribed a steady foot on the accelerator. And it was in reply to this (or roughly this) uproar on the back seat that Mr. Amory produced a phrase which every commentator on British life today and the mood of the people had probably been searching for in vain. Why had bank rate gone up? "If there is any danger", said the Chancellor of the Exchequer, with that superb air of spontaneity that usually means long hours of preparation and polishing—"if there is any danger of the internal economy getting out of balance, it would be due to a slight feeling of exuberance as a result of enhanced confidence in the prospects of this country produced by the result of the general election."

A slight feeling of exuberance! Mr. Amory may be wholly right, or just partly right, when he ascribes the particular cause, but nobody may doubt the effect. The phrase is perfect as a description of the economy, whether one looks to the boom conditions in the industrial areas, the height of share prices, the record spending in the shops at Christmas or the mounting sales of consumer goods, household equipment and motor-cars. And once again, although the cost of living has kept stable now for eighteen months (a record since the war's end), the Government and their advisers had begun to fear another bout of inflationary pressure. They therefore acted this time ahead of events, for Mr. Macmillan and his colleagues are determined not to allow

the prize of a stable cost of living to slip out of their grasp if human foresight can prevent it.

But Mr. Wilson is not alone in thinking that the Government may have been excessively cautious, in the memory of 1954-55, when anti-inflationary measures proved too little and too late. Business investment and capital re-equipment were just bounding with confidence, and the signs of overstrain in the economy were not being generally noticed. Indeed, the experts outside the Treasury had been predicting a rise in bank rate for quite different reasons from those Mr. Amory underlined. Since the beginning of December foreign money had been slipping quietly away from London to get the benefit of higher rates in other markets. It was nothing serious, although clearly the time would soon have arrived for adjustment on these grounds. But the Treasury found the principal reason for acting in the early signs of domestic overstrain; and it may be that the Chancellor of the Exchequer had particularly noted the anxiety the Governor of the Bank of England had been showing about the height of share prices.

This is an appropriate place to mention another effort by Mr. Amory to keep things under control. He has gone out of his way to appeal for the benefits of increased productivity to be reflected in lower prices. The Federation of British Industries promptly reminded him that they are not entirely free agents when it comes to putting this exhortation into practice. They acknowledged the benefits that price stability has brought to Britain in the last eighteen months, but they drove home a message that the Government, nationalized industries, distributors and the trade unions must all share responsibility in seeing that costs are contained. When that general truth is recognized, the Federation said, they will do everything in their power to maintain a generally stable level of prices. All in all, this was a less encouraging response than the Government must have hoped for from their friends. It certainly hardly inspired the trade unions to moderate some of the claims they are already staking for higher wages and fewer hours.

But, yes, "slight exuberance" is right. There are dangers inherent in it, if the Treasury are right, but in so far as the Government may find the source of the country's boomlet in the result of the general election last October it is very flattering indeed.

There can be no doubt that a particular aspect of exuberance that the Chancellor of the Exchequer had in mind was the sharp increase in industry's capital spending plans, as they have now been revised in a forecast by the Board of Trade. The new figures show an expectation that private industry and business plan to spend 14 per cent more than last year on fixed assets for use in manufacturing industry and about 20 per cent more on assets for other industries and services; and two-thirds of the increased expenditure planned in manufacturing industry consists of spending on plant, machinery and vehicles against a third on building work. This change is the more remarkable when it is remembered that the forecast made before the general election envisaged that investment in plant, machinery and vehicles would be 10 per cent lower and building expenditure might rise a little. Much of the increase shown in the revised forecast is due to plans for development in

the iron and steel and motor industries, which are expected to spend half as much again in 1960 as last year, according to the Board of Trade.

Politically the greatest interest is being taken in the expansion plans for the motor industry. Scotland, South Wales, Merseyside and the North-East all have areas where unemployment has been running persistently at a level higher than the national average, and all have staked out claims for the new motor factories that are soon to be built. For their part, the Government see the developments of British Motor Corporation, Ford, Standard, Rootes, and Vauxhall as altogether providential, and there was never any doubt that they would use both stick and carrot to induce the industry to open up in areas where new jobs are most needed. The first announcement of a deal clinched has already been made. The British Motor Corporation, after negotiating with the Government on an expansion programme costing £49,000,000, are to spend more than £20,000,000 in the next two years building and equipping new factories to provide more than 11,000 jobs in three areas: Scotland, South Wales and Merseyside. Another £26,000,000 will be spent on extensions to the company's existing factories in the Midlands and at Oxford, although no new demand for labour will be created in these already prosperous regions.

Mr. George Harriman, the deputy chairman of B.M.C., made no secret of the pressure that had been brought to bear to make the expansion accord with the Government's ideas about the extraneous factors that should govern the distribution of industry:

We may as well be frank [he said]. It was our intention to expand alongside our existing factories, but the Government wanted us to go to areas of high unemployment. After considerable negotiations, conducted in a very cordial atmosphere, we have reached what I hope will be a successful conclusion.

And more socio-economic package deals are in prospect. Development plans that may well involve about £150,000,000 investment by Fords, Standards, Rootes, and Vauxhalls are now believed to be maturing in consultation with the Board of Trade.

Not all industrialists or industrial commentators are happy, of course, at this type of government intervention to steer industrial development in directions that are dictated by a mixture of social and political considerations rather than by factors of economics, geography and efficiency of organization. But it happens that the Government has the power to inhibit development in the London and Birmingham areas—that is the stick. The B.M.C. plan, as announced, certainly seems to be complicated. One new factory, costing nearly £9,000,000 and employing 5,600 people, will go to Bathgate in West Lothian. Another, costing £7,500,000, is to be sited between Llanelly and Trostre, near the sheet-steel manufacturing resources of west South Wales. The third factory, costing more than £4,000,000 and employing 1,500 workers, will be built at Kirkby, near Liverpool. Another factory is also projected for north Staffordshire, where a labour force of about 1,000 will pack knocked-down sets of vehicle components. The new factories in Scotland, Wales and Merseyside will be built for B.M.C. by the Government

at a cost of £9,500,000 on a 15-year amortization basis—that is the carrot.

Now we are Seven

NOBODY pretends that the European Free Trade Association (the seven founding members are Austria, Denmark, Norway, Portugal, Sweden, Switzerland and the United Kingdom) is anything more than an expediency—Britain hopes a temporary expediency—that had to be resorted to partly in self-defence, partly to prepare the way for another attempt at forming a single market in Europe in which all O.E.E.C. countries can trade with maximum freedom, when the Free Trade Area negotiations finally broke down at the beginning of 1959. The break with the Six (France, Western Germany, Italy, Belgium, Netherlands and Luxembourg) always seemed certain when the Rome Treaty went beyond a Customs Union and set its sights on a closely integrated European Economic Community, with common economic, financial and social policies and with political federation as the ultimate object. So, in accordance with the Stockholm Convention, E.F.T.A. has been created, and a Bill is now on its way through Parliament. The new Association aims, within ten years, to free trade in industrial goods between member States from tariffs and other restrictions, and there will be special agreements on some agricultural, fish and marine products to protect the interests of the several members. The first tariff reduction (20 per cent) will take place on July 1 this year, and eight further reductions of 10 per cent will follow. Quantitative restrictions on all imports from member countries are also to be eliminated by January 1, 1970.

The division of Western Europe into two rival economic camps was bound to have political implications, and they occupied much of the time of the four Western Heads of Government when they met in Paris in December. The British view could not have been put more clearly than by Mr. Selwyn Lloyd, the Foreign Secretary, when he addressed the Consultative Assembly of the Council of Europe at Strasbourg—the one forum where the parliamentary representatives of the two groups and those from such countries as Greece, Turkey and the Irish Republic meet on common ground.

Mr. Selwyn Lloyd accepted that the Six would be beneficial both to Britain and to Western Europe as a whole, always providing it did not develop as an inward-looking political or economic group in opposition to the concept of a wider European grouping. The failure of the Free Trade Area negotiations, he frankly admitted, caused a worsening of relations between London and Paris and London and Bonn, and gave him reason for seeking an assurance from the French that the Six did not intend to develop as a highly protectionist rigid Community and that liberal trade policies would be put into force. The Foreign Secretary then came to an important passage on the political implications:

If the Six became an exclusive Community, it will mean a change in European relationships. For example, if the Six were to decide to discuss and form a common policy about matters outside the internal affairs of the Community, if they were, for example, without consultation with their allies, to formulate their policy with regard to disarmament, or Africa, or East-West relations . . . if it

were to happen I do not see how Western European Union could survive and the obligations which we have undertaken thereunder. I think also that it would profoundly affect N.A.T.O.

Later there followed informal meetings in Paris between the Economic Ministers representing the Six, the Seven, the United States and Canada, and one of the consequences was a decision to reorganize and broaden the O.E.E.C. and to set up a special economic committee to review trade questions, particularly between the Six and the Seven. The likelihood now is that negotiations between the two groups will be resumed before long, if only tentatively and informally. In London the hope is that the quick establishment of the Seven will bring about the circumstances in which the two camps may come together. Meanwhile, although there has been much official play with statistics to show what benefits are likely to flow to Britain from the Seven, manufacturers and traders may be disposed to suspend judgment. Everybody agrees that E.F.T.A. is better than nothing at all, but it remains a disappointment of all the hopes that have been built since the war on a single common market in Europe.

Into the New Day

THE successful outcome of the negotiations on the B.M.C. factories must be counted something of a personal triumph for Mr. Reginald Maudling in his early days at the head of the Board of Trade. But he is not the only Minister in a new Department to make his mark quickly. The grimly unremitting and unsparing Mr. Sandys found waiting for him at the Ministry of Aviation the legacy of all Mr. Harold Watkinson's efforts to regroup the aircraft manufacturing industry and to fashion it into a structure that will be more likely to survive vigorously and prosperously in the new day; and he soon forced or induced some radical decisions that had been in suspense for a long time. The effect of announcements now made by the aircraft manufacturers is that the main British firms are being concentrated into two powerful groups. Vickers, English Electric and the Bristol Aeroplane Company are amalgamating their interests in aircraft and guided weapons; and there is another merger of the de-Havilland-Blackburn groups with the Hawker-Siddeley group (the largest aviation organization in the Commonwealth). Westland Aircraft and the Bristol Aeroplane Company have also agreed in principle for the sale of Bristol's helicopter activities to Westlands, who specialize in rotary-wing aircraft and who recently took over the aviation interests of Saunders-Roe, another helicopter firm.

Once again the Government, through Mr. Sandys, have helped along the negotiations by coaxing with a carrot. Now that State support for the design and production of military aircraft is sharply declining, the Government have considered it just, in return for voluntary rationalization, to transfer financial help to civil aircraft manufacture. "If Government support for aeronautics through military channels is reduced," Mr. Sandys has said, "there is a case for making some increase in the assistance given on the civil side."

The regrouping of the aircraft and missile industry will probably have an

effect on the thought the Government are to give to undertaking an independent programme of space research. Black Knight, an experimental rocket, has reached a height of 500 miles, and the experts reckon it could provide a second stage to go on top of the Blue Streak ballistic rocket. Mr. Sandys has gone on record with the statement that a combination of the two, with what he called a small additional rocket stage, could provide the thrust needed to put a satellite of almost one ton into orbit around the earth, or to project a weight of 200 lb. to the moon. No government decision on such a development has yet been taken. Indeed, it is still reckoned to be too early to assess the practical benefits that might be derived from space exploration by Britain.

For that matter, it is still too early to assess the future of nuclear-powered ships. The Government has now invited five British firms to tender for two types of nuclear reactor with propelling machinery suitable for installing in a prototype tanker of 65,000 tons deadweight. One is to be a boiling-water reactor, the other an organic-liquid-moderated reactor. Tenders are expected to take several months to prepare, and if the Government should decide to back the development of one of them the tanker itself would take four or five years in building. Ship-owners are preparing to discuss with the Government the setting up of a consortium to operate the prototype tanker. The only serious criticism of the Government's decision has been focused upon the choice of the five firms or consortia to tender, and it certainly seems unfortunate that one particular firm, which has been responsible for developing an all-British reactor, should have been denied the opportunity to compete.

Great Britain,
February 1960.

NORTHERN IRELAND

SELF-GOVERNMENT in Northern Ireland will be forty years old this year. It was towards the end of 1920 that Westminster completed the passage of the Government of Ireland Act, the instrument leading to the partition of the country and the setting up of a subordinate Parliament in Belfast. Politically it was a compromise, constitutionally an experiment, and the Ulster Unionists, long opposed to Home Rule in any shape, accepted it with reluctance. Yet in the fire of the Irish rebellion was born a system of devolutionary government within the United Kingdom which has stood the test of time, and more successfully than would have been believed by those who scorned it as "a form of Home Rule that the devil himself could not have imagined". Looking back, it can be seen that Northern Ireland acquiesced not from faith in self-government itself, but because it saw in the possession of its own Parliament a final safeguard against a united Ireland. In this it has since been justified: the Ireland Act of 1949 provides that the Constitution cannot be altered except by the will of the House of Commons in Belfast. Today the general merits of a provincial Parliament are such that

there has never been any serious demand for a return to Westminster. So that while the application of devolution to Scotland and Wales may raise larger problems, in Northern Ireland it has been shown to have practical benefits and to be not inconsistent with the concept of a United Kingdom. For this, acknowledgement must be made of the good sense of the Ulster people in taking up the management of their own affairs and, by their cohesion, in creating a stable régime in face of the almost continuous physical and political pressures against the integrity of their territory. By now it is established that the Constitution formulated in 1920, and since amended only in detail, will endure for many years to come.

The basis of this charter by which Northern Ireland exists is its integration with Great Britain. The moment is ripe, therefore, for an evaluation of local self-government *vis-à-vis* government from the centre. It may first be noted that the subordinate Parliament has only limited powers of taxation and that more than 90 per cent of its revenue is levied from Westminster. From time to time greater fiscal autonomy has been urged by a section of the Unionist Party, but it has never been pressed by the Government, nor can the case for it be conclusively demonstrated. That is not to say, however, that there will not be a need for a review of the arrangements between the two Exchequers: indeed, after forty years this is emerging as one of the two most important aspects of the system which call for re-examination. It arises because, in pursuit of social parity with Great Britain, Northern Ireland is outrunning its financial resources. The correctness of the policy, at the same time, is not in dispute. The Government, having begun by adopting equality in the cash social services such as national insurance, has since made parity the aim throughout the range of housing, education, health and other services, and so set itself to end the historical inferiority of Irish living conditions. It is in these fields that devolution has had its most conspicuous success, not only in the sum of the achievement, but in certain of the original means by which advances have been made.

As the current financial situation suggests, economics form the other relationship with the rest of the United Kingdom in which the justice of the devolutionary system must be critically surveyed. Granted that Northern Ireland is primarily an agricultural area with the severe handicap of separation by sea, the years of national prosperity since the war have not brought it within measurable distance of the full employment which is the foundation of the British standard of living. Today unemployment is of the order of 8 per cent and the acquisition of new industry has no more than made good the decline of older industries, like linen, without taking account of the steady rise in the population which last year reached 1,400,000. At present, too, the high level of trade in Britain is not producing an overflow of industry in search of reserves of labour, and the attraction of industry from the United States has been interrupted by the uncertainties of the future of the economic blocks in Europe.

The question now being asked is whether Parliament in London should assume a more direct degree of responsibility for remedying leeway in Northern Ireland. The Government here continues to argue the value of a

Ministry of Commerce which is able to spend more than £10 million a year, or 10 per cent of the Budget, on industrial development by means of factory building and other inducements. But while it has had the co-operation of the Board of Trade it has been left largely to its own devices, and the region is vulnerable to the worst effects of any anti-inflationary measures taken by the Chancellor of the Exchequer. Similarly, the British Government, by its new legislation designed to reduce local unemployment in Great Britain, has inevitably prejudiced the spread of industry across the Irish Sea. To Northern Ireland's chronic problem there is no clear answer. Agriculture has prospered under the British system of guarantees, and to balance the Budget the Treasury could assume the cost of industrial stimulation, but in the absence of greater enterprise on the part of local capital there is no classical method of creating new employment on a scale that will make the Province comparable with the mainland. Yet after forty years it has become clearer than Ministers choose to admit in public that economic progress must be quickened if Northern Ireland is to be made viable and its social structure secured by its own exertions. To be self-supporting is not a condition of self-government, indeed there are many hidden subsidies, but under the Constitution as it stands it is necessary that there should be financial stability, and, more broadly, that devolution should not penalize people who are bearing the same taxation as their fellow citizens in Great Britain. In external relations this is the point on which the vindication of the Government of Ireland Act can be said to turn.

Internally also, a final verdict on the experiment is still awaited. In a political sense Northern Ireland remains a dual society, and until there has been developed a higher degree of common citizenship and interest the success of local self-government cannot fairly be judged. Unhappily, the past two months have shown that between Protestant and Roman Catholic there is still a wide gulf, and one that may betray the failure of what in 1920 could have been conceived as a political mission such as the British have embarked upon in other parts of the world. Not yet has Northern Ireland bridged its religious and social differences, nor has it produced any identifiable body of Nationalists who have been converted to loyalty to the constitution and an avowed belief in a British way of life. As will be seen, the Unionist Party has a case to answer for turning away from the statesmanship of Carson when he said that its task should be to show the Catholic minority that it had nothing to fear, and to win all that was best among those who had been opposed to it in the past. But it is no less true that the religious issue has been aggravated by the continued pressure of the Irish Republic against the border, the intermittent attacks of unlawful bodies like the Irish Republican Army, and the behaviour of the anti-partition parties which form the parliamentary Opposition, at times with a preference for abstention. All this has served to keep friction and suspicion alive and to blind Unionist eyes to the extent to which a rising standard of living has weakened some of the Nationalist faith in a united and independent Ireland. In the same way the rigidity of the Protestant outlook has made it slow to recognize the growth of a regional consciousness and a desire on the part of middle-class Catholics

to take their place in society and to share the responsibilities of citizenship. The more liberal Unionists have seen in these signs some hope of integration, but the quiet headway of moderate influences has been abruptly arrested by a chain of events which have left the party as far to the Right as it has ever been.

The irony, perhaps, is that so sharp a setback should have sprung from an impromptu answer by the orthodox chairman of the Standing Committee of the Unionist Council, Sir Clarence Graham, to a question put to him at the end of an address on future policy given to a Young Unionist School. Asked if Catholics could be admitted as members of the Unionist Party he said he saw no reason why they could not, having proved their sincerity of purpose. This simple statement, one that it would not occur to a Conservative to analyse, touched off an explosion from which Unionism will not soon recover. The party's executive committee was hastily summoned to pass a resolution that its policy and aims were unchanged. These it defined as the maintenance of the constitutional position of Northern Ireland as an integral part of the United Kingdom, the defence "of the principles of civil and religious liberty" and the improvement of economic and social standards. To which it added that it would welcome to the ranks of the party "only those who unconditionally support these ideals". This carefully worded manifesto did not satisfy the Grand Master of the Orange Order, Sir George Clark, who three days later declared that under no circumstances would the admission of Catholics to the Unionist Party be countenanced or accepted by Orangemen. As a reason for this extraordinary pronouncement he said it was difficult to see how a Roman Catholic could support the "civil and religious liberty" which is a Unionist tenet and a basis of a Protestant constitution and monarchy. It did nothing to lessen the injury of this dogma that Sir George Clark, a baronet of the third generation, and the youngest man to assume the responsibility of riding such a warhorse as the Orange Order, should have said that they wished to remain good neighbours and that Catholics who wanted to support the Unionist Party could do so through the ballot box. It carried with it too open a rebuke to Sir Clarence Graham and to the Attorney General, Mr. Brian Maginess, the foremost advocate of a Unionist policy that would reach out to all sections of the population as the best means of reinforcing the British connexion.

When the Standing Committee met to ratify the action of the executive there was an evident appreciation of the sudden danger of applying a religious test to membership and of adopting sectarianism as official policy. Conscious, however, of the need for unity, an instinct that never fails to come into play in any Unionist crisis, it chose not to make a statement that would have dissociated the party from the Orange declaration. At this point the controversy might have been considered to have been suspended, but there followed a speech by the Prime Minister, Lord Brookeborough, to the Grand Orange Lodge, in which he abandoned Sir Clarence Graham and Mr. Maginess in language that surprised those who have regarded him as being above the struggle for the voice of the party. How much he intended to say is doubtful: his manuscript was noncommittal, but in an unrehearsed addi-

tion he said: "It would be far better if they had kept quiet and not upset the loyalty of the people. I wonder if these well-intentioned speakers ever think of the damage they can do." The Grand Lodge proceeded to pass a vote of confidence in Sir George Clark without repeating the words of his original statement.

The state of the Unionist Party, as revealed by this episode, gives cause for concern since there can be no alternative government of the country. A swing towards extreme Protestantism after a long period in which policy kept a normal balance was discernible after the opening of the latest I.R.A. campaign. It became stronger after the election of 1958 in which the Northern Ireland Labour Party captured four seats in Belfast. This reverse offered the Unionist Party an opportunity to broaden its approach to the electorate, but the shaken reaction of the machine was to fall back on the still powerful emotion of anti-Catholicism.

In so far as this was deliberate the argument would appear to have been that any liberalizing of policy would lead to the loss of the ultra-Protestant faction. In this a few of the more partisan leaders made all the running, while the moderates and the Ulster M.P.s at Westminster, who are in the best position to see the harmfulness of intolerance, once again kept silent. Today the party looks to be dominated by the Orange Order in a way that the older generation of Unionists were careful to avoid. The effect must be considered a halter to its development since many responsible people, and the more intelligent youth, will not be attracted to a political life unless they are given greater freedom to express their ideas. It is the more disturbing that in the present climate any Unionist who seeks to discuss traditional attitudes in public lays himself open to charges of disloyalty. Lord Brookeborough, in failing to recognize this deterioration in the party's health and in backing the diehards against the thinkers, has suffered a fall from grace. With his personal popularity and prestige he could almost certainly have held it together without serious dissension and preserved the hope that the Government of Ireland Act is still capable of fostering a political unity, even where religion forms so broad a barrier. Significantly, perhaps, Sir Clarence Graham and Mr. Maginness have ignored the Prime Minister's chastisement to the extent that they have not resigned their offices, so that they may yet form a rallying point for a counter-attack, necessarily a diplomatic one, on the negativism, even bigotry, that threatens to cloud the end of Northern Ireland's first half-century and the working out of the devolutionary system.

Northern Ireland,
February 1960.

IRELAND

NEW LEADERS AND POLICIES

SOME future historian probably will record that the year 1959 marked the beginning of our slow but painful return towards reality. The exposure of our economic position in the Whitaker Report,* the realization of our political isolation, and comparative impotence, in relation to the fast developing, self-contained, European economy, and the growing revelation of our grave educational deficiencies have had a cumulative effect in expediting this "agonizing reappraisal". This process has been accelerated by the recent changes in our political leadership. The fortuitous retirement of Mr. de Valera from the political arena was followed in October by the resignation of Mr. John A. Costello from his position as leader of the Opposition in the Dail, and that of General Richard Mulcahy from the leadership of the Fine Gael Party, the largest Opposition group. These changes have been responsible for a rejuvenation of leadership and a re-orientation of policy, both long overdue.

The "Old Guard" Departs

GENERAL MULCAHY, like Mr. de Valera, is one of the Old Guard. The product in equal parts of the Gaelic League, Sinn Fein and the Irish Republican Brotherhood, he served his apprenticeship during the Anglo-Irish hostilities as one of Michael Collins's chief lieutenants, and afterwards as Chief of Staff on the Government side in the Civil War. As Minister for Local Government under Mr. Cosgrave, and Minister for Education under Mr. Costello, he made a modest, if often somewhat obscure, contribution to Irish political affairs. When the first inter-party government was formed in 1948 the Labour Party refused to accept him as Taoiseach and insisted on the selection of a less controversial figure. Thus Mr. Costello, a member of the senior bar who had never held cabinet rank, was chosen, with disastrous results. Mr. Costello, a dogged character with small political experience and less judgment, while on a visit to Canada in 1948, soon after his election as Taoiseach, made the petulant personal decision which severed our attenuated connexion with the Commonwealth. This decision, which even Mr. de Valera disapproved, but had not the courage to challenge, is the primary cause of our present position of precarious impotence. His silly claim to "have taken the gun out of Irish politics" was soon proved a fatuous boast, for, as the late Senator Bigger prophetically foretold, the gun which had previously killed for the Republic soon found a new and plausible target in Northern Ireland. Mr. Costello happily seized the opportunity presented by General Mulcahy's resignation from Fine Gael to resign himself as titular leader of the Opposition, on the grounds that his personal circumstances and obligations would prevent him from devoting his whole time to the duties

* See THE ROUND TABLE, No. 194, Mar. 1959, pp. 174-6.

of that office. He is, however, remaining in the Dail as a back-bench member of the Fine Gael Party, a position in keeping with his political capacity.

The New Opposition Leader

THE Fine Gael Party on October 21 filled the now dual position by the election of Mr. James Dillon T.D. as their new leader. His opponent for that position was Mr. Liam Cosgrave, who was Minister for External Affairs in the last inter-party government. Mr. Dillon who is fifty-seven years of age is no parvenu in Irish politics. He belongs by descent and choice to the old and more moderate Nationalist tradition, his father, John Dillon, having been a prominent member of the Irish Parliamentary Party and its last Chairman. His grandfather, John Blake Dillon, was one of the Young Ireland leaders in the 1840's. As the proprietor of a prosperous general business in County Mayo he is well acquainted with the life and economy of rural Ireland. He began his political career as an Independent member and later joined Fine Gael, but left that party because he courageously dissented from their policy of neutrality during the last War, and advocated the provision of bases here for Great Britain and the United States. Having spent some years in the political wilderness he has now returned to lead his former party. He has not always been consistent, for, although he had previously stood unequivocally for our continued membership of the Commonwealth, he acquiesced in, even if he did not approve of, Mr. Costello's repudiation of that association. Mr. Dillon has since sought to justify his inaction on that occasion by advocating the establishment of a wider, if somewhat nebulous, Anglo-American Commonwealth, in which he claims both parts of Ireland might find a place. He has, however, no illusions as regards our economic position, and, having been twice Minister for Agriculture, he is well aware that the future of Ireland cannot be separated from that of Great Britain. A man of wide education, witty, flamboyant, and perhaps the only real orator left in our rather dull parliament, he is also well versed in all the tricks of the politician's art. Mr. Dillon has his roots in the countryside, and has the great advantage of having had no connexion with "1916 and All That". He is thus free to discard the tenets of an outmoded, sentimental, and perverted nationalism, which shackle Mr. Lemass and his followers.

Opposition Policy

AS the Labour Party has decided not to participate again in an inter-party government, a Fine Gael government, with, or without, Labour support would seem to be the only alternative to the present Fianna Fail administration. The Fine Gael party is at present considering a restatement of its policy, and Mr. Dillon has already indicated the lines it may take. He advocates the negotiation of a new reciprocal trade agreement with Great Britain tied to the prices paid for British agricultural produce; the complete eradication of bovine tuberculosis; the creation of marketing boards for agricultural produce; an adequate advisory service for farmers; and a general overhaul of our educational system. As regards the Irish language he said that Fine Gael wished it well and honoured those who wished to revive it,

but not those who tried to do so by compulsory means. A recent criticism of teaching methods by Dr. Hillary, the Minister for Education, suggests that the Government is also considering some modification of its policy in relation to the language. Fine Gael has been successful in attracting to its ranks more young men than its opponents, the Fianna Fail Party being for the most part elderly political hacks. For this reason Fine Gael has now a unique opportunity to develop a new forward-looking policy. In the first place if it wants to break new ground it must unequivocally recognize the Northern Government and agree to co-operate with it in every possible way; it must also advocate complete economic integration with Great Britain and a drastic overhaul of our antiquated educational system. It will be noticed that Mr. Dillon's outline of Fine Gael policy, which differs little from that of the Government, contains no mention of Partition. Being deputy for Monaghan, a border constituency where his principal supporters are the Ancient Order of Hibernians, he will find it very difficult to depart from the orthodox Nationalist position on this question, but if Fine Gael is to achieve anything worth while this fence must now be faced and taken. Recognition of the Northern Government would deprive the I.R.A. of its best argument. Fine Gael's ultimate policy on this matter will decide whether Mr. Dillon is a statesman or merely a politician.

The Terrorist Campaign

THE terrorist campaign against Northern Ireland shows signs of petering out. Through either the apathy of its leaders, the awakening of their dupes, the drying up of Irish-American financial support, or the vigilance of the Northern defence, the I.R.A., and its imitators, are obviously losing ground. The Dublin Government seems to be doing its best under difficult conditions to control the situation. The Southern side of the border is closely patrolled by police and detectives. On many occasions not disclosed effective action has been taken to stop attacks on the North. But the Government are hampered in their efforts by the nature of much of the terrain, and the weakness shown by their predecessors in dealing with the extremists. The only criticism that might be made is that the sentences, usually of six months' imprisonment, inflicted by the courts here on the offenders are hardly commensurate with the gravity of the offence. A poacher turned gamekeeper naturally finds it difficult to punish his successors. As the inter-party government with foolish haste signed the Convention of Human Rights without reservations the Government's powers of internment are now being challenged by a Mr. Lawless, one of the former internees. The European Commission of Human Rights has considered his appeal and referred it to the Committee of Ministers of the Council of Europe. These proceedings, ingeniously directed by Mr. Sean MacBride S.C., who originally signed the Convention as Minister for External Affairs, have deterred the Government from making any further internment orders. At a press conference in Belfast on December 11, Mr. R. A. Butler, the British Home Secretary, disclosed that representations had been made recently by the British Government to the Dublin Government in regard to the need for stronger action to curb

cross-border raiders, and he said there would probably be further exchanges on the matter. In reply to questions about the British Government's attitude to these raids, he said, he did not rule out the possibility of applying trade sanctions against the Republic to force it to take stronger action against the potential raiders, but he added that it was very important before deciding on such a policy to get all the facts clear and to be sure such sanctions would be effective. Whether Mr. Butler's implied threat was merely a personal view, a silly slip, or a calculated indiscretion, it is quite certain that if followed up by action its only effect would be to turn an improving situation into one that might easily lead to civil war. As *The Irish Times* rightly pointed out,* the effect upon relations between the Republic and Great Britain would be disastrous. We are a touchy people, bitterly resentful of anything in the nature of interference from outside, and any suggestion of pressure by Great Britain would probably reverse the present trend of our two main parties towards co-operation with the North and the repression of the lawless activities on the border. No better method could be devised for reinforcing the practitioners of terrorism. Fortunately it was later made clear that the British Government did not envisage any such economic sanctions for the purpose of achieving objects of a non-economic nature. Mr. Lemass, in a speech at Ballina on December 11, indirectly answered Mr. Butler by emphasizing that his Government had no desire to coerce the North and that they believed unity could only be based on mutual respect and good will. The Irish Republican tradition as preached by Wolfe Tone and other leaders was, he said, against seeking to solve Partition—an internal Irish problem—by methods of violence. Mr. Lemass apparently forgot that the United Irishmen, of whom Tone was a leading light, started in Belfast at a time when Partition did not exist and the North was a hotbed of Republicanism!

The Government's Problems

THE Government's most serious and urgent problem remains, namely, our economic position in relation to Great Britain and the new European economic combinations. Here Mr. Lemass has perforce to return from Wolfe Tone to reality. Addressing a meeting of Limerick farmers on January 7 he pointed out that definite commitments with either European group were best avoided at present "for the understandable reason that trade with Britain is of such outstanding importance in our economy". The principle of exchanging trade advantages on a preferential basis had, he said, long been established between Great Britain and Ireland, but changes in circumstances since the existing agreements were made, such as the decline in money values, the effect of British agricultural price supports, and the establishment of the Free Trade Area, had upset the balance of advantages to our detriment. These were the reasons why his Government had suggested a comprehensive look at our mutual trade arrangements. In any trade talks, whether with Britain or Europe, they would, he said, ask nothing for nothing, and any trade advantage they might secure from any country would be fully matched in return by us. He also announced that the Government would put into effect the

* *The Irish Times*, Dec. 12, 1959.

report recently made by the Advisory Committee on Agricultural Produce, which declared that whatever steps were taken to secure facilities in other markets the British market would continue to be the main market for Irish produce, and that this country's freedom of entry into the British market was of paramount importance even if the prices sometimes obtainable were uneconomic. It seems clear, therefore, that the Irish Government will not enter into any form of association with either of the European trade combinations until the present trade negotiations with Great Britain are concluded; and even then it is extremely unlikely, for, as Mr. Lemass said, "Principles of trade liberalization are all very good where they operate right across the board, but when they are applied only to the industrial goods we import and not to the agricultural goods we export it may not be possible for us to continue to indulge them." These comments should be carefully considered by our continental customers, for the indications are that we shall not long continue to endure the existing one-sided situation. Our Government naturally welcomes the consideration of plans for the continuance of O.E.E.C. and the admission of the United States and Canada to its counsels. Speaking at Dunleary on January 14 Mr. Lemass declared that the emergence of the new free trade associations in Europe would have comprehensive and unavoidable consequences for this country whether we liked them or not, or whether or not we decided to become associated with either of them.

Unless we can expand our exports [he asserted] we cannot for long sustain our present living standards. That is what the re-emergence of a deficit in our international payments in 1959 signifies . . . Ireland as an independent political community can continue to exist only if it becomes an efficient business organization as well. That is the elementary truth which is now being brought home to us by world developments. The feather-bedding process of high protection and export subsidies and preferences, however useful or necessary they may have been in the past, are [*sic*] now becoming increasingly inapplicable in relation to our economic aims.

It is reassuring to find that Mr. Lemass himself is awaking from his "feather-bed" dreams! Meanwhile our general economic position shows some signs of improvement, the revenue for the first nine months of 1959 being up by £3,200,000, thus justifying Dr. Ryan's optimistic Budget.* In the same period exports of manufactured goods and raw materials were greater in value than those of our cattle exports, a situation which is not so good as it seems. Recent indications, however, suggest that last year's serious decline in the cattle trade has been arrested. Total exports for 1959 as compared with 1958 show a decline of £1,700,000, while imports show an increase of £13,172,000, and the adverse trade balance an increase of nearly £15 million.† Dr. David O'Mahony, lecturer in Economics at University College, Cork, sees chances of an eventual market for our dairy produce in

* See THE ROUND TABLE, No. 195, June 1959, p. 295.

† The visible deficit for 1959 is about £81 million, but invisible earnings of about £65 million together with foreign capital investment of £13 million will reduce the actual deficit to some £4 million, a manageable figure.

the growing United States.* He also points out that the prospects for Irish agriculture as a whole are good and that it would be at present unwise to encourage one form of agricultural production rather than another. The official government view is that cattle and meat production ought to be encouraged rather than dairy farming, but the Government has just decided to set up a Dairy Produce Board to export, and finance the export of, our creamery butter, cream, condensed milk, and chocolate crumb, to foreign countries. Complete free trade in agricultural produce would be ideal from our point of view, for we are more efficient producers than most European countries. The only reason we do not export more agricultural produce to the Continent is because the continental countries control agricultural imports in the interest of their own relatively inefficient producers. Our balance of payments is at present further menaced by large wage increase demands on behalf of some 30,000 industrial workers which, if granted fully, would release additional spending power of from £10 million to £12 million. This would increase consumer spending, particularly as regards motor-car sales which last summer increased by 30 per cent. There are already more motor-cars in Ireland in proportion to income than in any other European country. A week's strike of workers in the petrol distribution service at the end of November nearly paralysed the transport services of the country and was finally settled on the intervention of the Government by a compromise which in effect linked the agreed wage increase to an increase in productivity. Our national railway system reduced its deficit last year by almost £1 million, but has now had to increase fares in order to meet a wage increase. Mr. Childers, the Minister for Transport and Power, has made it clear that he is determined to end transport subsidies. Industrial production figures show that there has been a rise of 5 per cent as compared with 1958. This seems to have been due to a favourable trend in both home and export trade. The campaign for the eradication of bovine tuberculosis, on which the future of our cattle trade depends, seems to be at last making substantial progress, more than two-thirds of the cattle in the country being under test. Finally, one may record with satisfaction that the almost prehistoric controversy concerning the habitation of the Lane pictures has at last been solved by an agreement to divide the French Impressionistic masterpieces involved into two relatively equal groups which will be exhibited in turn in Dublin and London for successive periods of five years during a period of twenty years, after which time a new agreement may, or may not, be entered into. This eminently sensible, and indeed obvious, solution is a happy ending to a long and unhappy dispute in which all the right was certainly not on our side.

Ireland,

February 1960.

* Irish Agriculture—Prospects and Opportunities. Studies, Dec. 1959.

INDIA

"TAKE-OFF" TO WHERE?

MOST underproducing countries are great coiners of slogans, which are often substitutes for thought—even action. ("Quit India" in 1942, for instance, was not merely a slogan, nor only a spur to action, but action itself; and this goes for much of the revolution of which Mr. Nehru is so proud a child.) In India today slogans are coined by the hundred. The one most in vogue at the moment Mr. Nehru borrowed from Professor Rostow, and it came in very handy for Mr. Nehru. He has been telling everybody that the Indian economy has now reached the "take-off" stage; and if only the people will give him time to execute another Plan the country will be up in the air. Such assurances have become the more necessary because the country is experiencing bad weather from almost all directions. A lesser, or less popular, man than Nehru would assuredly have been swept out of power by the gusts 1959 brought. Instead, the Indian people cling more desperately to him, the only begetter of so many of their troubles.

While an anxious country has been hearing of reverses on just about every front, the Congress (which met near Bangalore in January for its annual jamboree) set out to take the fullest political advantage of Chinese aggression. Congress leaders, including Mr. Nehru, called it "a blessing in disguise". The main opposition in the country, the Communists, can now be called traitors; and they that think of the Congress first and the country next are content that the Communists are in a quandary. Their conference at Meerut had to be held under police protection; and in Calcutta and elsewhere some Communist rallies witnessed some disturbances. Not many pretended that these were not "noises off" for the mid-term election in Kerala on February 1. Thus the external danger, which might have been a unifier, is really adding fuel to the flame of internal differences; and it may not be said in history that Mr. Nehru was altogether out of the game. It is indeed difficult to say what might have happened to India ere now if there had not been so many extraneous factors at play. These are sometimes paradoxical, but they serve the same purpose inasmuch as they either divert attention from inconvenient realities, to which visitors from abroad (be they Chinese or American or Russian) may witness, or redeem stagnation by some spectacular, if untypical, happening such as the opening of steel plants built by foreigners.

In India's career as an independent country 1959 may well be held the year in which the dormant small-pox in the body politic of India became manifest, and everywhere complacency gave place to alarm or despair. No sudden mistake has been made, no wrong turn taken in haste or error; only the defects inherent in the Indian situation, as the British left it and as Mr. Nehru has manipulated it since, have come up to the surface. It may or may not be

a compliment to Mr. Nehru that the situation would have been vastly worse if the British were still in control.

The Chinese Threat

IT is right and proper, besides being tactically necessary, for India to assert that the border between India and China is well established by treaty, tradition, usage and all that. There is also a wealth of evidence in support. India's very strong argument, however, misses the point in that it does not (for it cannot) frankly recognize the two basic changes that have come over the situation. One, British power has disappeared from Delhi; two, there is now a powerful Peking, able not only to secure what it considers its rights but also what it considers its rightful ambitions as a big Power. Both facts were too obvious not to be known in Delhi. If there was an error it was in hoping that a new Delhi would be treated differently by a new Peking, that the traditional manner of a strong nation would in this instance be different from that of a weak nation. In Mr. Nehru's mind there was a hope that, contrary to the European experience, nations in Asia would not fight one another to mutual impotence.

As the exchanges between Mr. Nehru and Mr. Chou En-lai abundantly show, China is in no mood to try this high-minded experiment. Peking does not consider it necessary to conceal that it is powerful. In almost every communication there is a cynical reference to *Panchsheel*, the famous five principles; but the emphasis is unmistakably on China's rights. When India speaks of treaties with the British, Peking's argument is that these were imposed upon a weak China by the imperialists. When Peking refers to ancient Chinese dynasties, that is simply history which it is so unsporting of the Indians to seek to deny with the help of the shameful British interlude. When the Chinese army moves, it is only to "liberate"; when Indian policemen go to posts that are theirs they betray a sad tendency of expansionism. In his last letter to Mr. Nehru the Chinese Prime Minister seeks to make out that the India-China border has never been delineated anywhere and that nobody knows what anyone is talking about. As an Indian newspaper pointed out, it is interesting how the Chinese know with the utmost precision that a certain spot is indisputably Chinese when an unpleasant incident has taken place involving Indian patrols. The recent exchanges in Eastern Ladakh, in which nine Indian policemen were killed and ten taken prisoner, are a case in point.

There is still no wholly rational explanation of what the Chinese have been doing. Full-scale aggression against India still seems inconceivable, if only because it cannot be a localized affair between India and China. It is apparent, however, that for Peking India's friendship is expendable beyond a certain point. Mr. Khrushchev was being his facetious self in suggesting that the territory disputed by India and China is of no strategic importance to either; Eastern Ladakh is useful to China for communications between Sinkiang and Tibet and a road and an airfield have already been built on territory claimed by India; but the area is certainly not so vital to China as to make it worth her while to provoke India. There are scores of other explanations. Perhaps

China is not happy about the prospects of a U.S.-U.S.S.R. *détente* and has decided to throw a spanner in the works. Perhaps Peking feels it has to expose India's weakness to prove, to smaller Asian countries, that in this continent China is the boss. Perhaps there are internal stresses in China from which popular attention should be diverted. China is under no obligation to anybody to place her cards on the table; but the realization is slowly sinking in hereabouts that the quarrel with China is going to be a protracted one to which there is no quick answer. This in its turn is changing many things in India.

Foreign affairs, on which all thinking has so far been done by Mr. Nehru and Mr. Nehru alone, are now much more widely discussed. Gone is the country's absolute faith in the Prime Minister's infallibility, although nobody has suggested an alternative Foreign Minister. There is not one and will not be until Mr. Nehru has left the scene. A new foreign policy will still remain an improbability. After Mr. Nehru has been rightly criticized for some of the frills and postures of his foreign policy, the fact remains that it had been largely shaped not so much by Mr. Nehru's temperament as by the objective facts of the Indian situation. These are that it is a poor country, the people are unused to war, and the economy ill equipped to build its own defence against any enemy worth talking about. Even as it is possible to hold that Mahatma Gandhi's policy of non-violence and passive resistance was really the shrewd exploitation of his people's incapacity to take up arms, it is equally tenable to argue that Mr. Nehru's non-alignment and all that may flow from the same source. Even the internal integration of the country is incomplete; and the recent decision of the Congress to divide Bombay into two States—Maharashtra and Mahagujarat, according to the linguistic principle—was as much a concession to local feeling as an admission of the party's inability to do anything in the national interest.

When the Congress met for its annual session at Bangalore it passed a large number of resolutions, as usual. None of them created much controversy, for few took the resolutions seriously. The resolutions not passed belong to a different category; and these were a better index to popular feeling. Some Congressmen wanted a permanent tribunal to go into allegations of corruption in high places, as had earlier been demanded by Mr. C. D. Deshmukh, a former Finance Minister. (He had also offered to furnish details, including names, of half-a-dozen cases of corruption among Ministers. Mr. Nehru wrote to him personally, but he would give the names only to a tribunal.) Mr. Nehru had opposed the demand earlier, in Parliament, and at Bangalore he simply lost his temper until everyone was quieted. Perhaps there is not so much corruption as some think, perhaps some other countries are even more corrupt; but the Indian people are convinced that theirs is the most corrupt administration in the world. Mr. Nehru is above suspicion; no one else is.

It must be said that the people have reason to be suspicious. Apart from Mr. Nehru's refusal to set up a super-body to look into his Cabinet, it is all too clear that something goes wrong with inquiries. To mention only a few instances: there was a case of "budget leakage" six years ago, and many

important names (including Governors) were mentioned—nobody has been punished yet; the inquiry into the Dalmia-Jain concerns has been going on for nobody remembers how long; the notorious Life Insurance Corporation case involving Haridas Mundhra has been ended in a most unsatisfactory fashion; the Prime Minister's Special Assistant, Mr. M. O. Mathai, got involved in a serious controversy, and the departmental inquiry that absolved him has failed to silence his critics; and, finally, a business man returning from abroad was departmentally fined Rs. 55 *lakhs* for contravention of Foreign Exchange Control and on appeal, departmental, the fine was reduced to Rs. 5 *lakhs*. He has appealed again and may not have to pay anything. Surely somebody was grievously in the wrong at some point. In external affairs the Government is no longer the repository of the country's blind and breezy faith. Internally, the prestige of the administration has never been lower.

A Plethora of V.I.P.s

LITTLE may India's many distinguished visitors know how their arrival and departure help the country forget the deficiencies in their Government. The concluding communiqué hardly ever says anything; and the applause and processions have for the sophisticated a weary and routine look. Mr. Nehru, who knows his people, may well be right in thinking that these visits pay him rich internal dividends. The Eastern Ladakh incident took place only a few days before President Eisenhower was in New Delhi; and it may well be that many in the country thought, hereafter, the Chinese border would be an American responsibility. This may seem unbelievably naïve, which it is, but there is no knowing what the vastly illiterate people may not believe. That the Eisenhower visit was used by Congress propagandists as an adequate answer at once to the Chinese threat and to the darkening economic picture is a fact; and they may well know their audience better than others.

The Voroshilov visit was during India's tenth Republic Day celebrations, and the fact that the U.S.S.R. President was accompanied by such important members of the Soviet set-up as Kozlov, Kuznetsov and Madame Furtseva made it appear that Russian munificence would flow almost as strongly as American. (In principle there has been agreement already that the Russian-made Bhilai steel mill shall be raised to two and a half million tons capacity from one million, which would make this the biggest unit in the country unless others seek meanwhile to match it.) Mr. Nehru may well claim that he has not lost the friendship of any country that matters.

To crown it all, Mr. Khrushchev will have come and gone by the time this dispatch is in print. It is easy to imagine what a visit like this, combined with that of President Eisenhower, may mean to a people unversed in the ways of big Powers. The border dispute with China is so complicated that it is unlikely that any third party wants to get involved—Nepal and some others have said so, and it is not impossible that Mr. Christian Herter's indiscretion was in part calculated. But India appears to have reached a point at which even neutrality seems something in favour. That it is so in the case

of the Soviet Union is perhaps true, for a Communist country has hitherto automatically supported another. Mr. Khrushchev has spoken, instead, of possible misunderstanding between India and China; and this involves not only the Indian concept of Mr. Nehru's infallibility but also Communist conviction of dialectical certitude. There is perhaps some room for hope in all these uncertainties and imponderables, but they help the Nehru régime just the same. Whether all this is not a rather precarious foundation for a government which is not altogether without its own resources is another matter.

Although not immediately connected with the Chinese threat, there have been several other moves which promise a modicum of hope. India still refuses a joint defence with Pakistan—and, frankly, Pakistan wants it only on virtually absurd conditions; the two countries have in recent months settled not a few outstanding issues; and one senses a new atmosphere in the relations between the two countries. General Ne Win was in Cairo some time ago; and there has been some talk of late of a sort of Bandung *minus* China. New Delhi reacted coldly, not unsurprisingly. Bonds of weakness are a burden on the least weak; and India is placed more or less in that position. Sikkim, Bhutan and perhaps Nepal belong to another category; but it is not at all easy to see what it will avail India to have defence pacts with countries like Ceylon, Indonesia and all that, even if the latter are willing, which they may not be. There is also reason to hope that the Sino-Indian dispute will find its own level before too long if the present trend of the bigger East-West dispute continues.

Internal Weaknesses

THE external danger is as nothing compared to those domestic; and it is not wholly true that Mr. Nehru has been speaking of heavy industry and allied subjects against the background of Chinese aggression only to "cover up" the failure, such as it may be, of his foreign policy. He realizes that the biggest threat to the country comes from internal political disunity and the failure of the country to make rapid economic progress. When a French economist wrote recently in a London weekly on the failure of Indian agricultural plans, it attracted some attention here. Some for the first time were disillusioned about the community development projects; and the French writer was unkind enough to add that the failure was human. Mr. Nehru has simply failed to stimulate the people to make the additional effort that is evident in China. The not altogether unwarranted conclusion was drawn that the lure of democracy might not prove so strong as it seems now.

And it is also time to wonder whether even the political foundations of democracy have been laid down firmly. The agitation the Congress joined in July-August last year was not excessively democratic either in intent or in methods. A government enjoying a majority in the State Assembly was removed from power by demonstrations in streets. The situation was allowed to go from bad to worse until Central intervention became inevitable. The inevitability was engineered; and the results of the mid-term elections held on February 1 prove nothing to the contrary. Nor is it obvious that the

defeat of the Communists will now ensure the triumph of democracy in Kerala for all time to come.

The Congress presidency of Mrs. Indira Gandhi, the Prime Minister's daughter, has by some been described as a disaster—which may be a slight exaggeration. But during her tenure the party has made more compromises than perhaps at any time before. In Orissa the Congress Government was in trouble for dissensions within; and, just to retain itself in power, it made a deal with the Ganatantra Parishad, a party led by former princelings which in its election manifesto had challenged parts of the Constitution. It was Kerala's turn to prove that the Congress, which can never enforce unity within itself, can evolve unity with the most disparate elements outside its ranks. The recent election was fought by a United Front composed of the Congress, the Praja Socialists—and the Muslim League. This should be enough to assess the value of the so-called victory of democracy over Communism. And the fact should not be ignored that the Communists increased their poll although they secured fewer seats in the Assembly. One theory is that the United Front fought on communal and religious lines against the godless Communists. Those familiar with what religion has meant in Indian politics will not need to be told what dangers may lie ahead.

It is now apparent that from now on the energies of the Congress will be engaged primarily in keeping itself in power, and no price will be considered too high. This is what happened to British rule towards the concluding phase; and the lesson has not been learnt that a government that has no time left for doing the things expected of a government aspiring to build a welfare State may not have an awful lot of time to live. The decadence of the Congress Party is perhaps too far gone to respond to any cure, and we may well be witnessing the end of a great political force. In India's case, which has next to no superior alternative to offer, it may not mean only the end of a party. There is cause for gloom.

India,

February 1960.

PAKISTAN

A FORMIDABLE PLAN

PAKISTAN's Second Five-Year Plan, the outline of which was approved by the National Economic Council on December 30, 1959, envisages an increase of 20 per cent in the national income after it has been fully implemented. Considering the extremely low level of national income in the country, the target seems to be rather modest, more so because the expected rise of 9 per cent in the country's population during the Plan period—1960–65—would actually mean an increase of 10 per cent in average *per caput* income. The present average annual *per caput* income in Pakistan is Rs. 243 as against Rs. 10,000 in America. Amongst the Afro-Asian countries, Egypt, Iran, Iraq, India, Japan, Ceylon and the Lebanon have higher national incomes, some of them considerably higher. Yet to achieve even this modest increase, the Plan requires an investment of Rs. 19,000,000,000—Rs. 11,500,000,000 in the public sector and Rs. 7,500,000,000 in the private sector. The Government is to finance the Plan to the extent of Rs. 11,000,000,000 from domestic sources and Rs. 8,000,000,000 from foreign aid, loans and investments.

For an under-developed country like Pakistan it is truly a staggering task. Assuming that friendly countries will be able to provide the foreign exchange component of the Plan on the required scale, the internal share of the Plan will demand the fullest mobilization of the nation's resources. It will be by no means an easy task and the Finance Minister, Mr. M. Shoaib, in a speech on January 18, rightly gave warning that "economic miracles do not happen overnight" and to achieve the target the country will have to adopt "every possible austerity measure". The outline of the Plan has already recommended additional taxation of Rs. 1,000,000,000 "emphasis being placed on indirect taxes on consumption". The Plan is as much a promise as a challenge and in the words of President Ayub the gains "have to be won, not just picked up like free gifts".

The strategy of the Plan, according to its outline,

is to consolidate the achievements of the First Plan, to accelerate the pace of development and to prepare the country for a great advance in agriculture which will pave the way for an industrial revolution. The proposed increase in food production is over twenty per cent. This is expected to make the country self-sufficient in foodgrains by the end of the Plan period. There will also be a very large increase in industrial production, fifty per cent in large-scale industry and fifteen per cent in small-scale industry.

Besides the increase in national income and in industrial and agricultural output, some of the "major goals" listed in the outline are:

- (1) To improve the balance-of-payment position by increasing foreign exchange earnings by twenty per cent.

(2) To accelerate the economic development of less developed areas of East and West Pakistan.

(3) To cover the entire country by the Village-Aid Organization, which will be closely integrated with the institution of Basic Democracies.

(4) To reorganize and expand the educational system. The number of primary schools will be increased by fifty-five per cent and in secondary schools by forty per cent. Over the next fifteen years all children of school-going age will be enabled to receive primary education. Six new universities including four technical universities will be established.

(5) To provide increased health facilities.

(6) To improve housing facilities and rural and urban water supply.

(7) To provide increased employment opportunities.

(8) To improve labour conditions.

(9) To provide the means of checking the menacing growth of population by a programme of family planning.

The allocation of Rs. 5,330,000,000, which represents nearly 30 per cent of the Plan's total financial outlay, is by no means too great a price to make the country self-sufficient in food grains. Recurring food deficits since 1952 had swallowed up the country's hard-earned foreign exchange, disrupted its trade balance, starved industries of their essential requirements and held up the implementation of vital national projects, besides creating a vicious circle of anti-social practices. Unless, therefore, the country achieved self-sufficiency in food, its economy, whose agrarian character was emphasized by the Finance Minister when he pointed out "that despite the doubling of income from manufacturing and mining since 1950 agriculture still accounts for about 57 per cent of the total national income", would never develop on natural lines.

The Plan recommends radical improvements and extensions in the country's agricultural operations by speedily putting new land under cultivation; by fighting the overgrowing menace of salinity and water-logging and by a more widespread and intelligent use of seeds and fertilizers. The Plan provides for an increase in food-grain production from 13,200,000 tons estimated for 1959-60 to about 16,000,000 by 1964-65. Among the targets for increased production are: rice, 22 per cent; wheat, 17 per cent; maize, 45 per cent and sugar cane, 35 per cent.

The Plan also lays emphasis on increased production and improved quality of such exportable agricultural products as cotton and jute. Accordingly a production target of 2,000,000 bales of cotton has been set for 1964-65, compared with the expected production of about 1,700,000 bales in 1959-60. For jute the proposed output is 6,800,000 bales in 1964-65, compared with the estimated production of 6,000,000 bales in 1959-60. At present cotton and jute account for more than 60 per cent of the foreign exchange earnings of the country.

Among the general objectives of future industrialization is increased production of exportable goods and import substitutes to attain a favourable solution of the country's balance-of-payment problem. Since reliance is placed essentially on private enterprise for increased industrial production, the Government has provided various incentives in this direction. For

instance, price and distribution controls have been relaxed and investment treaties and taxation avoidance agreements, calculated to promote private investments, have been concluded with a number of countries. It is estimated that private investment during the Plan period will be of the order of Rs. 2,700,000,000, as against Rs. 1,440,000,000 during the First Plan period. Public investments will be restricted to such industries as are reserved for State ownership or industries for which private capital is for the time being not forthcoming.

It will be relevant to recall here that before the advent of martial law in Pakistan the stresses and strains of political struggle made a prompt start and effective implementation of any national project impossible. The First Five-Year Plan is an example. Designed to cover the 1955-60 period, it was released in draft form in May 1956. In April 1957 the National Economic Council approved it in revised form, even though it had left some important issues unresolved. Finally the Cabinet did not authenticate the Plan till May 1958. No wonder that the physical achievements of the Plan fell short of most of its targets. Happily things have now changed. The Second Plan has been announced in most propitious conditions. The country's foreign exchange position has improved and though the problem of food scarcity is there it is not of a magnitude to strain the country's economic resources ruinously. What is more important is the assurance that the Plan's fulfilment will not be hampered by any administrative failures. As such there is a general consensus of opinion that though the objects set out in the Second Plan are not easy, they are neither fanciful nor impossible and they will not only be realized, but may even be surpassed.

But, no matter how successfully the Plan is implemented, its achievements will be completely nullified if the country fails to check the enormous increase in its population. The Deputy Chairman of the Planning Commission, Mr. Mumtaz Hasan, put it succinctly when he said: "If the population continues to grow at the present rate we shall be in a position where, in the words of Alice in Wonderland, 'it takes all the running you can, to keep in the same place'."

The 1950 census put the country's population at 75,000,000. Today it is estimated to stand at 87,000,000. The only way to overcome the problem is through intelligent family planning. But mass illiteracy and socio-religious antipathy to family planning make a successful carrying out of this all-important task extremely difficult. It is fervently hoped, however, that Basic Democracies and Village-Aid Organization will be successful in creating a lively consciousness among the masses of the gravity of the problem. As President Ayub said in his broadcast, commending the Second Plan, "without widespread acceptance and support family planning may well fail. We must not let it fail."

Mr. Eisenhower in Karachi

THE reception accorded to President Eisenhower when he arrived in Karachi on a two-day visit to Pakistan (December 7-8), was an event which will long be remembered. Throughout the 10-mile route from the

airport to the President's House, over a million people jammed sidewalks, crowded every point of vantage and lustily cheered the American President and his entourage. Karachi had never seen anything like it. Visibly moved at this spontaneous outburst and exuberance of welcome, the American President authorized his Press Secretary to convey how tremendously he was moved by the great welcome accorded to him by the people of Karachi.

So much for the reception itself. As to the outcome of the talks between the two Presidents, there is no doubt that they have significantly contributed to the promotion of a better understanding between their two countries. Broad hints to confirm this conclusion are available in the joint communiqué issued after the talks and also in public pronouncements by President Eisenhower.

The Ayub-Eisenhower talks covered a wide range of subjects, including such international issues as the Summit conference and the status of Berlin. Emphasis, however, naturally rested on subjects relating to the area, particularly the threat to its security from the north as evidenced by Chinese incursions into Ladakh, Indo-Pakistani relations, the border with Afghanistan and increasing Russian influence in that country.

The joint communiqué placed marked emphasis on collective security arrangements. It said that the two Presidents "emphasized anew the importance of C.E.N.T.O. and S.E.A.T.O. as major factors in preserving the stability and security of the area covered by them. They reiterated the determination of the two Governments to continue strongly to support these regional collective security organizations in accordance with Article 51 of the United Nations Charter."

The communiqué made no direct reference to the Kashmir issue, even though it emphasized "the urgent desirability of finding solutions to the existing disputes between the nations of the region". However, authoritative pronouncements have not been lacking to confirm that the Kashmir issue formed a major topic of discussion between the two Presidents. In an informal chat with journalists President Ayub said that while he had made no new proposals about Kashmir in his talks with Mr. Eisenhower, he had given him a frank appraisal of Pakistan's views on Kashmir.

From the very outset it was realized here that Mr. Eisenhower's visit was in the nature of fact-finding and contact-making, rather than a negotiating mission. His Press Secretary, Mr. Hagerty, repeatedly emphasized in his briefing to journalists that Mr. Eisenhower had no wish to be a negotiator. It was nevertheless felt in Karachi that a restatement of this dangerous issue could not but further underline the potential threat it constitutes to the security of the area, to which the communiqué pointedly referred. But while it might have done so with Mr. Eisenhower, has it with Mr. Nehru? That is the question.

Pakistan,

February 1960.

CANADA

A MODEST LEGISLATIVE PROGRAM

THE present Federal Parliament of Canada reassembled for its third session on January 14 with a full attendance of members of both Houses. During the recess two new members were admitted to the Cabinet: Mr. David Walker, Q.C., of Toronto filled the vacancy in the Ministry of Public Works created by the transference of Mr. Howard Green to the Secretaryship for External Affairs, and French Canada was given an additional representative by the appointment of Col. Pierre Sevigny as Associate-Minister of National Defense. The appointment of Mr. Walker aroused some criticism on the ground that it gave Toronto and the adjacent territory, with five representatives in the Cabinet, too much influence in its councils and left the huge area of Ontario lying east of Toronto without any spokesman. The onset of a severe illness was responsible for the retirement of Mr. J. M. Macdonnell, who had served as Minister without portfolio since 1957; his resignation deprived the Cabinet of a Minister whose rigid integrity and liberality of outlook had earned him the respect and confidence of all parties, and whose judgement on financial and economic problems was trusted by the leaders of finance and industry. At the opening of the session he was followed into retirement by Mr. Henri Courtemanche, the Secretary of States, who was rated one of the weaker members of the Cabinet; Mr. Courtemanche's appointment to the Senate brought the number of Progressive-Conservative Senators up to 22, who face 73 Liberals, two Independents and one Independent Liberal, with four seats left vacant. Prime Minister Diefenbaker has also at last named all the 14 parliamentary secretaries whose appointment had been authorized by Parliament, and his nominees, who will perform the same functions as British under-secretaries, were selected with due regard to a fair representation of the different sections of Canada.

The Speech from the Throne was a verbose document, which opened with the usual claims about the achievements of the Government and proclamations of its aspirations in both the domestic and international spheres. But the program of legislation was very modest and included no measure of major importance. It forecast legislation which will establish a Federal Department of Forestry, give the Indians the vote in Federal elections, extend the subsidy now paid to the gold mines for another three years, enforce the retirement of all judges on pension at the age of 75 and permit the payment of pensions and allowances to Canadians eligible for them who have moved to other countries. Authority is also to be sought for the payment of special grants to which the governments of the three prairie Provinces will contribute, for the relief of western grain-growers whose grain could not be threshed on account of the premature arrival of winter with heavy snowfalls, and for an alternative plan to the existing arrangements for the distribution of annual grants from the Federal Treasury to universities and

colleges. A Bill of Rights, a pet project of Prime Minister Diefenbaker, which he introduced in each of the last two sessions, but dropped before any serious discussion of it occurred, is to be revived and will probably be referred for study to a special committee drawn from both Houses of Parliament. Blessings were bestowed upon the negotiations for disarmament now proceeding under the auspices of the U.N. and upon a ban against the testing of nuclear bombs, but there was a strange silence in the Speech about the very important problems of the program of national defense and the state of the nation's finances.

The second day of the debate on the Address produced a long oratorical duel between Mr. Lester Pearson, leader of the Liberal Opposition, and the Prime Minister. The former was evidently bent upon removing any ground for the accusation made in some quarters that in earlier sessions he had been much too tender in his treatment of the Government, and the harsher tones of his arraignment of it for a variety of sins of omission and commission seemed to indicate that the Liberals intend to adopt more militant tactics than they pursued last session. His speech was spiced at intervals with some barbed quips, such as a lament that he found it hard "to overcome the invincible ignorance of this Government" and a regret that the country was being "fooled by demagoguery disguised as evangelism".

Prime Minister Diefenbaker in his reply gave the impression that he had been sobered by appreciation of his problems and difficulties. He resorted less than usual to the thundering pontifications and sarcastic lectures which have been part of his oratorical stock-in-trade for cowing his opponents, and he strove earnestly to refute by reasoned arguments the charges levelled by Mr. Pearson at himself and his Ministers. But both he and Mr. Pearson devoted far too much time and energy to raking up bygone pronouncements of each other in order to prove their errors of judgement and inconsistencies, and there were far too many interruptions of their speeches by acrimonious exchanges and petty backchat. So the feeling of impartial listeners to the duel was that the two leaders were more concerned with proving each other to be misguided and incompetent than with making an intelligent analysis of Canada's complicated problems and propounding adequate solutions for them. Indeed such was the dreariness of this important phase of the debate that the editor of an Ottawa paper, recorded in it that a young man with whom he walked home from the Parliament Buildings, after both had heard the debate said to him "Well, I'm certainly not going into politics".

Controversy on Defense

AT the opening of his speech Mr. Pearson felt it necessary to denounce as "false and indeed malicious" a charge made by Mr. Diefenbaker in an address delivered to a Tory meeting in Toronto last November that in 1956 at the time of the crisis over Suez the St. Laurent Government had put "Britain and France in the same bag as aggressors with Russia" and that such an action would never be taken with a Conservative Ministry in power; and to support his rebuttal he cited pronouncements of both Mr. Macmillan and Sir Anthony Eden about the value of Canada's intervention in the U.N.'s

session. The problem of defense bulked large in the debate. Mr. Pearson contended that Canada should inform both the United States and Britain that it could no longer accept a situation under which they each retained control of their nuclear armaments, and that all control of them should be entrusted to N.A.T.O., but Mr. Diefenbaker argued that such a policy was unrealistic, because it was hopeless to persuade all the members of N.A.T.O. to agree upon a set of rules about the use of weapons. Declaring that Canada favored a policy of co-operation with, but not subservience to, the United States in the field of defense, he admitted that the nuclear weapons like the Bomarc missile, due to be supplied to Canada, would remain under American ownership, but said he must make it "abundantly clear" that these weapons would not be used by Canadian forces "except as the Canadian Government decided and in the manner approved by it". However, Mr. Pearson was very sceptical about the reality of the control that the Canadian Government would exercise, and his demand for an explicit statement on the subject was evaded by the answer of the Minister of National Defense that negotiations on the subject were proceeding at Washington. Mr. Pearson also made a direct challenge to the Government to disclose whether in the light of the changes in the international balance of power in the last three years it had any clear-cut policy about defense:

Are we [he asked] to be content in face of this new strategical situation to be an appendage of the United States, tied to its continental and even to its global strategy, which is coming increasingly under criticism in its own country?

Mr. Diefenbaker, who described Mr. Pearson's statements about defense as "a most conglomerate collection of inconsistencies", maintained that the Government was giving constant and careful consideration to the problem of defense and was trying to evolve for it a policy which would aim at providing Canada with adequate security and at the same time making possible a reduction of expenditures on defense. Mr. Pearson had demanded an investigation by a parliamentary committee of Canada's whole defense policy from its very foundation, but Mr. Diefenbaker would only consent to the appointment of a special select committee, authorized to review expenditures on defense, and would not concede it the right to examine policy, which he said must be reserved for the decision of the Government.

In his criticisms Mr. Pearson ranged over most of the other fields of governmental activity and singled out for special attack the inadequacy and ineffectiveness of the Ministerial policies adopted about agriculture, unemployment and finance. But the Prime Minister made a vigorous defense of his colleagues and argued that proof of the efficiency of his administration could be found in the current prosperity of the country. Mr. Hazen Argue, the leader of the C.C.F., who followed him, could see no merit in the policies of either of the two senior parties, and after declaring that neither of their leaders had any real appreciation of the menace of the economic challenge which Russia was offering, argued that only systematic economic and social planning could enable Canada to cope with it and escape disastrous consequences. Mr. Fleming, the Minister of Finance,

avored the House of Commons with an account of his stewardship of Canada's interests at the recent O.E.E.C. economic conference at Paris. Citing as its most fruitful result a decision to appoint a committee for examining the possibility of creating a North Atlantic organization for trade and economic co-operation, he said that Canada would welcome full membership in such an organization, provided its purpose was expansionist and not restrictive; but he had to make a reluctant admission that Canada would not have a place on the committee and that the only representative of North America on it would be a delegate of the United States. A Progressive-Conservative member, Mr. Frank McGee, has introduced a private Bill for the abolition of capital punishment and, since there is in all parties a division of opinion on the subject, it is expected that the Government will permit a free vote on it.

Constitutional Amendments

THE knowledge that any measure for enforcing the compulsory retirement of all the judges at the age of 75 would require an amendment of the British North America Act by the British Parliament has impelled the Diefenbaker Ministry to tackle the problem of securing for Canada complete control of her own constitution. It has long been recognized as an anomaly that it should remain today embalmed in a statute passed by the British Parliament in 1866, and there has been a persistent demand by Canadian nationalists for the termination of a custodianship which they regarded as a badge of colonial subordination to Britain. But for a long time the leaders of French Canada were opposed to the termination of Britain's guardianship of the constitution; they were fearful that if the constitution came under the control of the Federal Parliament at Ottawa there would be the danger that, as the result of some racial conflict, a British Protestant majority might move to abolish the special rights about language and religion secured to the French-Canadian people by the terms of the British North America Act; and they felt confident that the British Parliament would be a trustworthy watchdog over these rights and never countenance interference with them. However two eminent French-Canadian Liberals, Mr. Lapointe and Mr. St. Laurent, who in succession held the post of Minister of Justice at Ottawa, were free from these fears; their influence was a powerful factor in constitutional changes, which obtained for the Federal Parliament the right to amend the provisions of the B.N.A. Act in regard to all matters which were exclusively within its jurisdiction. Similarly the provinces have now the right to change their constitution in the case of matters exclusively within provincial jurisdiction. It is understood that approaches have been made to all the provincial governments for their acquiescence in a formula for amending the constitution in regard to matters affecting both the Federal Parliament and the provincial legislatures and that, while the provinces have agreed that some formula must be evolved, none of them will at present commit itself to a specific one. There is considerable support for the idea that the Federal Government should have the concurrence of two-thirds of the ten provincial ministries for any constitutional changes. It is quite certain that, if Premier

Duplessis of Quebec were alive, he would be a resolute opponent of the proposed change, on the ground that it was an aggrandizement of the Federal authority, but there are clear indications that the present political leaders in Quebec are prepared to endorse it, for both Mr. Antoine Rivard, the provincial Attorney General, and Mr. George Lapalme, the Liberal leader in the legislature of Quebec, have recently expressed the view that it is desirable for Canada to have unfettered control of her constitution. It is assumed here that the British Parliament will welcome a release from its long trusteeship over Canada's constitution and one valuable fruit of the change would be that it will remove the difficulty of persuading Americans that Canada is really an independent nation, when her constitution is under the control of another country.

The National Balance Sheet

THE Government has been encouraged by the buoyancy of the Federal revenues to hope that the Federal budgetary deficit for the fiscal year 1959-60 will fall well below the forecast by the Minister of Finance of 363 million dollars. In December there was a surplus of 61.8 million dollars, which raised the cumulative surplus for the first three-quarters of the year to 120.9 million dollars as compared with 87.2 million in the same period of 1958-59. The record shows that the excess of outlays over revenues is always highest in the last quarter of the fiscal year; but to produce the estimated deficit of 363 million dollars it will have to reach the very large figure of 276 million dollars. During the third quarter of 1959 there was a pause in the upward recovery in economic activity which had begun a year previously; but for the whole year the value of gross national production was estimated at 34,500 million dollars, which represented a gain of 7 per cent over the comparable figure for 1958: 2 per cent of the gain was accounted for by a rise in the level of prices and therefore the increase in the physical volume of production was 5 per cent. During the winter there has been some decline in industrial activity, but, while unemployment is quite serious in certain sections of the country, at mid-December its total volume was smaller than a year previously and more workers were in full employment.

In 1959 the total value of Canada's exports reached a record high figure of 5,179.6 million dollars, which represented an increase of 3.1 per cent over the figure for 1958 of 4,928.3 million dollars; but when allowance is made for the 2 per cent increase in the price level, the gain was trivial and, while full data about imports for the whole year are not yet available, the incomplete figures about them indicate that there was a much larger increase in the value of imports, with the consequence that Canada's adverse balance of trade and her aggregate deficit in international transactions for goods and services became ominously large in 1959. Accordingly Mr. James Coyne, the Governor of the Bank of Canada, has felt it advisable to offer his diagnosis of a fundamental weakness in Canada's economic and financial position and give warning of its dangerous possibilities, unless certain trends now visible are checked. Mr. Coyne pointed out that while the annual savings of the Canadian people have been relatively high in the past decade, they have been

far below the scale needed to meet the huge capital expenditures on a variety of new enterprises; and as a result there had been a steady resort to heavy borrowings abroad, chiefly in the United States. These borrowings, on which interest has to be paid, have been running at the rate of over 1,000 million dollars per annum and they are involving Canada in what Mr. Coyne regards as a very unfortunate situation, fraught with unpleasant consequences.

We are [he said] not producing ourselves out of our import deficit but are getting into debt deeper.

We have absorbed or consumed or put to use a much greater volume of capital without getting a commensurately greater rate of increase in production. One reason may be that a large proportion of our capital expenditures has gone into the development of facilities for our greater comfort and enjoyment than for an increase of our productive facilities.

The gist of his analysis of the state of Canada's economy is that her people have been living beyond their means and promoting projects of economic expansion that are beyond the capacity of their own financial resources; and so, as a remedy for this situation, he argued that the national interest would be served by a restriction for a period of new capital expenditures to enterprises that could be financed at home or with a comparatively small reinforcement of foreign capital. This wise advice is condemned by the promoters and speculators as a defeatist attitude, which would halt the expansion of the Canadian economy, but it has won considerable approval in the press and Mr. Fleming the Minister of Finance in a recent speech in Toronto, indicated that he is aware of the danger emphasized by Mr. Coyne.

Another Loss to Quebec

THE sudden death of Mr. Paul Sauvé at the early age of 52 within four months of his assumption of the provincial Premiership of Quebec is regarded as a real calamity for both his own Province and the whole of Canada. In his brief spell of power he had already given convincing evidence that he was determined to repair the great damage done to public morality in Quebec by the corrupt and reactionary régime of his predecessor, *Prémier Duplessis*, and to restore decent standards of administration. He had undertaken to liberalize the harsh labor laws, which Duplessis had passed for curbing the activities of labor union, and he had moved to heal the latter's perennial feud with Ottawa by entering upon negotiations, which aimed at an arrangement whereby the universities of Quebec would get the benefit—always banned by Duplessis—of the Federal grants available to them. So he had come to be rated the most promising politician that French Canada had produced since Mr. St. Laurent entered public life in 1941, and was already being talked about as a future Prime Minister at Ottawa.

After the death of Duplessis the caucus of the *Union Nationale* members of the provincial legislature of Quebec had been unanimous in electing Mr. Sauvé as their new leader, but when they were faced with the problem of finding a competent successor to him their unanimity had vanished. There was such a sharp division of opinion among them about the respective merits and claims of Mr. Antoine Rivard, the provincial Attorney General, and Mr.

Yves Prevost, the Secretary of State, that in order to avert a dangerous split in the party's ranks their supporters, with a few exceptions, combined to elect as their leader Mr. J. Antonio Barrette, a veteran politician, who entered the legislature in 1935 and has served as Minister of Labor since 1944. Having been originally a machinist by trade, he later in life became an insurance broker, and in a process of self-education has accumulated a library of 5,000 books, many of them written in English. He is an uncommon type of French-Canadian politician, for during World War II he was an open advocate of full military conscription and, although he was not a Conservative, a firm supporter of Mr. George Drew when he was leader of the Opposition at Ottawa. He had the courage to brave the displeasure of Duplessis by absenting himself for weeks on end from meetings of the provincial Cabinet, to mark his disapproval of his leader's unfairly hostile attitude towards labor. On this account he is not *persona grata* to certain ardent partisans of Duplessis, who charge him with disloyalty; and the resignation of one of them, Dr. Lizotte, M.L.A., from the Union Nationale Party suggests that he may have to cope with some dissidence. But he is widely respected in Quebec as a politician of progressive outlook, and he has made a promising start by announcing that the improvement of education in Quebec must have priority in his Ministry's policies and that early consideration must be given to the co-operation of Quebec with the other Provinces in the national system of health insurance, which Duplessis had always vetoed.

Pay of the Civil Service

THERE has been widespread dissatisfaction in the Federal Civil Service over the inadequacy of the salaries paid to its members; but the Government, faced with budgetary deficits, has so far refused to comply with the demands of the spokesmen of the civil servants for increases of pay that would give them remuneration comparable to what could be secured for similar work in the professions, industry and commerce. Faced with this agitation, the Government had instructed Mr. Arnold Heeney, when he was Chairman of the Civil Service Commission before he moved to Washington as Ambassador to the United States, to make an investigation of the workings of the civil service; and he produced a long report, which contains numerous recommendations for reforms in its structure and administrative practices. So the Speech from the Throne promised that a revision of the Civil Service Act, based on the recommendations of the Heeney report, would be entrusted this session to a special committee of the House of Commons. The projected Canadian Commission is to be modelled on the Hoover Commission in the United States and armed with similar power; and the Prime Minister in announcing it described it as "one of the most important ever set up in this country" and said that for its personnel "the mobilization of the very best citizens of Canada" would be required.

Canada,
February 1960.

SOUTH AFRICA

A REPUBLICAN BOMBSHELL

ON the fourth day of the session Dr. Verwoerd announced the news that South Africa is to have a referendum on the principle of a republic. To say that this was unexpected is an understatement. There was not a hint in the Speech from the Throne and every possible indication had been given that the session would be both short and non-contentious in preparation for the celebration of the jubilee of Union on May 31.

Sir De Villiers Graaff, the leader of the Opposition, analysed the results of the provincial elections to show that the Government could not claim a republican mandate. Dr. Verwoerd intervened early and began with a counter-analysis of the significance of the provincial elections. He then dropped any pretence of continuing a no-confidence debate and launched into a long statement on the republic.

The essence of the statement is that the country's views on the principle of a republic are to be ascertained by way of a referendum; that provision for this device, which is unknown in the Union's affairs, will be made in a Bill to be introduced this session; that the verdict (which Dr. Verwoerd indicated would commit Parliament) would be decided on a bare majority, even a majority of one; that the Government would decide before the event whether the republic would be within or without the Commonwealth; and that the voting would be limited to Whites in the Union of South Africa, excluding South-West Africa. For the rest he was vague. He rejected the idea of a President with executive powers on the United States model, but indicated that his powers and functions would be wider than those of the present Governor General. The parliamentary system would remain, the rights of the two languages would be guaranteed and so on.

Dr. Verwoerd's bombshell was received with delight by all elements of the Nationalist Party, sections of which have been reported to have been markedly dissatisfied with Dr. Verwoerd's administration. Some observers think that much of the incipient dissatisfaction in the party ranks will have been stilled by the Prime Minister's bold move, and certainly Dr. Dönges, his probable successor in the event of a palace revolution, has been noticeably more cordial in his references to his leader.

There were two points which were immediately attacked. One is the idea of a majority of one in an electorate of 1,400,000. For a long time a section of the community feared that the Nationalist Party would attempt to force a sudden republic on the country on the strength of an ordinary election victory. For twenty years leaders of the party have been giving assurances that a republic would be essayed only when there was a substantial majority in a vote limited to that one issue. It is therefore surprising, to say the least, that Dr. Verwoerd can announce so casually that in fact the referendum could be decided by a majority of one.

But the main subject of attack, and one in which opposition groups of all

kinds have joined, is that the test of opinion is to be limited to the Whites only. Politicians and newspapers lost no time in pointing out that a change designed to alter the nature of the State fundamentally is to be imposed without any semblance of consultation with four-fifths of the country's inhabitants. A spokesman for the Coloured community went as far as hinting that the Coloured people, so categorically excluded from consultation, might well feel that they would be under no obligation of loyalty to the future State.

The position at the moment is that the United Party has indicated forcibly that it will continue its opposition to a republic at this time and obtained in this way; the Progressive Party will have nothing to do with a new constitution which is not supported by all sections of the people and which does not guarantee the rights of all sections; and the Native and Coloured representatives have declared that the exclusion of their peoples is scandalous.

There is little doubt that the session will be dominated by this new development and that, far from being an uncontroversial preliminary to the celebrations, it will be one of the liveliest and possibly one of the bitterest on record. It remains to be seen how far the United Party can bring the battle back to the Government's weaknesses on the Bantustan front and whether the Progressives will be able to impress the public with its entreaty to accept before it is too late the implications of the fact that this is a multiracial country. Fuller discussion of the Government's republican plans must await their revelation by Dr. Verwoerd and the formulating of their objections by the various opposition groups. What can be said with confidence is that at the moment there is no question of a republic outside the Commonwealth. An attempt to obtain approval for withdrawal from the Commonwealth would fail disastrously and would probably drive Dr. Verwoerd from power. The referendum—if there is one—will be on a republic within the Commonwealth.

This does not, of course, exclude the eventual possibility of a withdrawal from the Commonwealth. In one passage, Dr. Verwoerd described the process frankly:

The development of the Union so far has consisted of a continual change in our constitutional and other legislation in the direction of a republic. . . . The Government had followed the path of gradual development, of continual amendment and adaptation towards the state of a republic. There had been the legislation on status, the flag, the abolition of the right of appeal to the Privy Council and on citizenship.

We never beat about the bush. It was always step by step towards a republic. One can almost say that our present legislation is already a republican constitution, apart from the actual change from a monarchy to a republic.

It would be logical to accept the republic within the Commonwealth as another of these steps, the preliminary to the final objective of a republic outside the Commonwealth.

South Africa,
February 1960.

AUSTRALIA

THE LAW OF MARRIAGE

THE Australian Constitution has always given power to the Federal Parliament to make laws with respect to "Divorce and matrimonial causes; and in relation thereto parental rights and the custody and guardianship of infants". It was not until the Matrimonial Causes Act came into being in December 1959, however, that there has been any comprehensive legislation in this field by the Commonwealth.

In moving the Second Reading on May 14 of that year the Attorney General, Sir Garfield Barwick, said:

The object of this bill is to give to the people of Australia, for the first time in our history, one law with respect to divorce and matrimonial causes and such important ancillary matters as maintenance of divorced wives and the custody and maintenance of the children of divorced persons. Upon the bill becoming law, Australia, so far as my research goes, will be one of the first countries under a federal constitution to deal comprehensively and uniformly on a national basis with matrimonial causes. Indeed, the power to make such a law is seldom vested by a federal constitution in the National Parliament. Matrimonial causes have usually been left to the component States or provinces.

Because of recurring problems as to domicile and with the particular pressures arising from war-time conditions, the Federal Parliament in 1945 passed an Act whereby a married person domiciled in one State could in particular circumstances take divorce proceedings in the State of residence, the law applying being that of the State of domicile, and in 1955 further rights were given to wives on residential qualifications alone.

Some attempts were made from time to time to obtain a uniform divorce code for the whole of Australia and, in particular, in 1957 Mr. Joske, M.H.R., eminent in this field of law, had the goodwill of the Government when as a private member he introduced a Divorce Bill which went as far as a Second Reading debate. Thereafter, Sir Garfield Barwick, comparatively a newcomer to politics, became Attorney General and the Government decided that it would take up the task of introducing a Bill. Although the Act when passed had very little in common with Mr. Joske's Bill, there is no doubt that his ability and enthusiasm contributed largely to the Government's action, and this the Attorney General emphasized in the House.

The Act does not create a Federal Divorce Court in each State; it preserves the present State Courts and gives them Federal jurisdiction, thus taking advantage of the experience of the judges and the technique of established administration.

In deciding on what should be the available grounds for divorce* the

* Space does not permit a more detailed analysis of those parts of the Act dealing with Void or Voidable Marriages, Nullity of Marriage, Judicial Separation and Restitution of

Government did not approach the problem on the basis of "the maximum common ground in the existing laws of the several States". It sought to select such grounds as in its judgment were best justified in themselves for the problems of the present time. Each of them, however, had previously existed in the legislation of at least one State. "The Bill", said Sir Garfield, "does not seek to go beyond already tried experience in this field of social legislation but, on the other hand, seeks to avoid the illiberal and the narrow."

Probably the most controversial section is that providing that a petition may be based on the ground that the parties to the marriage have separated and thereafter have lived separately and apart for a continuous period of not less than five years immediately preceding the date of the petition and there is no reasonable likelihood that cohabitation will be resumed. With this, however, must be read the provision elsewhere in the Act that on the hearing of a suit on that ground, if "the court is satisfied that, by reason of the conduct of the petitioner, whether before or after the separation commenced, or for any other reason, it would, in the particular circumstances of the case, be harsh and oppressive to the respondent, or contrary to the public interest, to grant a decree on that ground on the petition of the petitioner, the court shall refuse to make the decree sought".

This new conception of a discretionary power was absent from the legislation of all States except Western Australia and provoked a great deal of criticism both in Parliament and outside it. In particular many influential Churchmen expressed themselves in the strongest terms in alleging that it would produce divorce by mutual consent, that the divorce rate would rise and that people would be induced to enter into the obligations of marriage too lightly. The Attorney General, however, was never shaken in his faith in this part of the legislation. He stated that he thought that many of his critics took a "cynical view" of the attitude of mind of young people about to marry; he believes that the two provisions will achieve utility without leading to abuse.

When the Bill went to the Senate some amendments were made but they were of relatively little importance. An example was the deletion of a provision that if either party is subject to recurrent attacks of epilepsy the marriage is voidable. The House of Representatives accepted them.

Conjugal Rights. The more important grounds, stated generally, for Dissolution of Marriage are: adultery; desertion for a period of not less than two years; cruelty for not less than one year; the commission of rape, sodomy or bestiality; for not less than two years' habitual drunkenness or intoxication by drugs; within a period not exceeding five years, frequent convictions for crime involving imprisonment in the aggregate for not less than three years; imprisonment for more serious offences; attempted murder or the infliction of grievous bodily harm on the petitioner; habitual and wilful failure to support the petitioner for two years; failure to comply with a decree for restitution of conjugal rights for a period of one year; unsoundness of mind in special circumstances; separation for a continuous period of not less than five years immediately preceding the date of the petition when there is no reasonable likelihood that cohabitation will be resumed; absence for such time and in such circumstances as to provide reasonable grounds for presuming death. The above provisions must be read subject to the condition that no proceedings for dissolution and judicial separation may be begun within three years of marriage except by leave of the Court.

Of significance also are those parts of the legislation which are intended, in a positive way, to support the institution of marriage by encouraging reconciliation. "Law is social engineering designed to avoid friction and waste", as Professor Pound of Harvard once said, and it was with this sort of concept in mind that the Government created with boldness, within the limits of reality, an entirely new legislative pattern related to this aspect of matrimonial affairs. It is significant that, after the Act deals with the necessary preliminaries of definition, Part II is headed "Marriage Guidance Organizations" and Part III is "Reconciliation".

Part II contains the following :

The Attorney General may, from time to time, out of moneys appropriated by the Parliament for the purposes of this Part, grant to an approved marriage guidance organization, upon such conditions as he thinks fit, such sums by way of financial assistance as he determines.

Thereafter the Part goes on to make provisions for voluntary marriage guidance organizations, the furnishing to him of annual reports by such bodies, the taking of an oath of secrecy by marriage guidance counsellors and the prevention of their being competent or compellable to disclose communications made to them in such capacity.

Part III imposes on Judges a duty of giving consideration to the possibility of reconciliation in matrimonial matters coming before them; and in aid of this they may adjourn matters so that the parties may have a period of "cooling off", as the Attorney General put it. If the Judge obtains their consent he may confer with them himself privately or nominate an approved marriage guidance organization or some other qualified person in an attempt to achieve reconciliation. Once a Judge has himself acted as a conciliator he is disqualified from hearing the suit unless requested to do so by the litigants.

There are other provisions in the Act which also have a direct relationship to the preservation of marriage. No proceedings for either dissolution or judicial separation may be begun within three years of marriage except by leave of the Court, which can only be granted on the grounds of special hardship or of depravity on the part of the guilty spouse. Then, also, special attention is given to decrees for restitution of conjugal rights and to the obtaining of a dissolution because of non-compliance therewith. The Act has produced a situation where the resort to dissolution proceedings based on non-compliance with a decree for restitution is pointless to obtain a collusive or quicker result. Consequently the procedure for restitution of conjugal rights will invoke again the original objects of the Ecclesiastical Courts in this regard, namely, that it will endeavour to heal estrangement between husband and wife.

The welfare of children has received special attention. Previously they have been the unseen, inarticulate and unrepresented parties in so many matters. This Act provides that where children are concerned, be they the result of the marriage or linked with it by some previous association of either party, no decree *nisi* shall be made absolute until the Court is satisfied that adequate arrangements have been made for their welfare.

There are many other important aspects of this new legislation which have not been dealt with; whilst they concern the litigants in their effect, they are mostly technical in their nature and are the immediate concern of lawyers.

The matter was dealt with expeditiously but not with unseemly haste. Indeed, every opportunity was given to the community as a whole, and to those sections of it whose views were of the greatest importance, to give it the fullest consideration and to offer such advice as could be of assistance to the Government on this significant social endeavour.

In Parliament it was treated as a non-party matter. Dr. Evatt, the Leader of the Opposition, lent his status and legal learning to its fulfilment. For Sir Garfield Barwick it was a tremendous achievement and his own words should be repeated:

It is a most significant bill. It deals with relationships which are basic—human relationships which affect the happiness of people, the welfare and future of children, and to a degree the fabric and the future of this nation. It represents a genuine effort to cope with the problem of strained or broken matrimonial relationships—to maintain marriage, to protect the family, to take care of the child, to specify just and temperate grounds of divorce where it is unavoidable, to do right by the innocent, and to further the public interest in the regularity and productivity of human unions.

Constitutional Review

FROM time to time the Australian articles in *THE ROUND TABLE* have drawn attention to problems that have arisen in relation to the application of its Federal Constitution in an expanding and changing community. Brief reference was made to the interim report, in summary form, presented to Parliament on October 1, 1958, by the Joint Committee on Constitutional Review which was set up by both Houses of the twenty-second Parliament.

Except for theoretical and academic considerations of amendment by the Parliament at Westminster, the Australian constitution can be amended only after a resolution of both Houses of Parliament which is acceptable to a majority of electors in a majority of States and a majority of the electors in the whole of the Commonwealth and approved by Her Majesty's Representative. The history of attempted amendments has been one of rejection in most instances; and, with the exception of the incorporation of the Financial Agreement and powers to legislate with respect to Social Services, such amendments as have been made are for the most part of a minor nature.

Some time ago Mr. Menzies indicated quite firmly that he would not consider submitting any proposed alteration to the vote of the people unless it became apparent that it would be supported by both sides of the House. There was, however, a significant body of opinion both in Parliament and outside which pressed for a review of the Constitution as a whole and, consequently, a Joint Committee was set up which consisted of parliamentarians of both Houses and of different political persuasions who were, happily, well informed in the field of inquiry and carried weight in their own parties.

A Royal Commission was set up in 1927, under the chairmanship of Sir John Peden, and presented a valuable Report in 1929, but such an approach

to the problem, since the constitution of the body would not necessarily represent current political thought or have the sanction of party approval, would be of less value than the Report now under consideration.

In 1899 the population of Australia was 3,717,700; in 1947 it was 7,550,881; at the end of 1958 it was 9,889,543. In those sixty years Australia has gained a new and significant international stature both in its own right and as a member of the British Commonwealth. It has withstood the pressures of two wars; it has absorbed with signal success in the short time migrants from many countries with differing cultures; it has created a pattern of secondary industry to a point once thought impossible; social experiments involving the "welfare of the common man" have been successfully carried out.

With all this the Constitution has worked well but, inevitably, imperfections have appeared. It is gratifying and to some extent surprising that a committee constituted as this was could reach agreement on as many different matters as in fact it did.

The first class of recommendations relates to the Commonwealth legislative machinery. These propose that the number of members of the House of Representatives should no longer of necessity be, as nearly as practicable, twice the number of senators although, *inter alia*, equal representation of the original States should be maintained; more flexibility for resolving deadlock between both Houses is worked out in detail; the term of office of senators should be altered to synchronize their election with that of members of the lower House; instead of senators' being chosen to represent each State as a whole it is thought that each State could be divided into as many senate electoral divisions as there are senators for that State.

The Committee proceeded to suggest important changes in the concurrent legislative powers of the Commonwealth.* These included the powers to deal with intra-state navigation, shipping and aviation, the promotion of scientific and industrial research, the manufacture of nuclear fuels, the generation and use of nuclear energy and ionizing radiations and wider powers with respect to broadcasting, television and other services involving transmission or reception by electro-magnetic means. In more controversial problems it considered that the limited powers of the Commonwealth relating to conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State should be expanded so that Parliament could legislate with respect to terms and conditions of all industrial employment. It was also thought that the Commonwealth should be able to legislate with respect to corporations and restrictive trade practices.

The marketing of primary products has always been a vexed question and, in one instance, the electors refused to amend the Constitution to give the Federal Government power to legislate in this field. The Committee has now recommended as follows:

1. The Parliament should have power to make laws for the submission to

* "Concurrent powers" are those which are specifically given to the Commonwealth by the Constitution but in relation to which a State may legislate to the extent to which there is thereby no inconsistency with Commonwealth legislation.

- a poll of primary producers of proposed plans for the organized marketing of primary products.
2. For the purpose of submitting a proposed plan to producers, the Parliament should be authorized to make such laws as it deems necessary in connexion with the holding of a poll, including laws determining who is a primary producer, eligibility to vote, and the number of votes which a producer should have.
 3. If three-fifths of the votes cast at a poll by the producers of a primary product are in favour of a proposed marketing plan for that product, the Parliament should have power to make laws to give effect to the plan free from the operation of section 92 of the Constitution, but otherwise subject to the Constitution.
 4. For the purposes of the power, a primary product should include any product directly produced or derived from a primary product which the Parliament deems to be a primary product.

Wide powers are suggested for the Commonwealth in relation to capital issues which in the past have only been available to it to the extent to which the defence power was applicable.

Other recommendations relate to interstate road transport, envisaging the revival of the Inter-State Commission to avoid the hazards of section 92,* a simpler formula for the creation of new States whereby the power of a parent State to frustrate such a movement is restricted and, finally, the alteration of the method of amendment of the Constitution so that a proposal need only be approved by a majority of all the electors voting and by a majority of the electors voting in at least one half of the number of States, as a condition precedent to its becoming law.

The document is a most valuable contribution to study of the Constitution in this country both in its positive decisions and in the opinions of minority dissenters. At this stage, however, it is impossible to predict what action the Government is likely to take by reason of it.

Australia,

February 1960.

* This section of the Constitution secures freedom of trade and communication between the States.—*Editor*.

NEW ZEALAND

THE LICENSING LAWS

ONE of the quietest parliamentary sessions on record ended on October 23. The Prime Minister had evidently determined not to push the House and so lead to a repetition of last year's unparliamentary scenes,* and in this he had the co-operation of the Leader of the Opposition. After it was all over, Mr. Nash was able to claim that the session had set "all sorts of records". Urgency had been taken only for the four Imprest Supply Bills and the Budget, and the time sat after midnight—17 minutes—was the shortest since records were first taken in 1888. The closure motion was not used on any occasion.

The most important of the deferred measures was the Crimes Bill,† while two Bills meekly held over in the face of strong Opposition criticism were the Police Offences Amendment Bill and the Political Disabilities Amendment Bill. The first of these would have removed legislative provisions relating to sedition and intimidation which were written in after the 1951 waterfront upheaval. On the other hand, the provisions relating to sedition, except those affecting burden of proof and presumptions, had been included in the Crimes Bill. The Political Disabilities Amendment Bill would have repealed the requirement, introduced by the National Government in 1950, that a majority of the total membership of a union should support a decision by a trade union to vote funds for political purposes. Under the Amendment a simple majority vote of those voting in a ballot would have sufficed, thus restoring the position as it was before 1950. The Opposition moved an amendment of no confidence during the debate on the Police Offences Amendment Bill and, faced with the prospect of a trial of strength, the Government, with seven members away, retreated.

The Government also found a way of postponing changes in the liquor licensing laws, although this is a field in which the need for reform is notorious. There had been some expectation that a licensing amendment would be introduced—an expectation inspired in part by the belief that the Minister of Justice, the Hon. H. G. R. Mason, was a staunch advocate of reform. However, all the Prime Minister was prepared to offer was a Select Parliamentary Committee of both parties which would consider what amendments to the present law were required "to ensure that intoxicating liquor is sold under such conditions as will be desirable and beneficial to the people". The Committee is to meet during the recess and report to the next session of Parliament. After a display of reluctance the Opposition agreed to be associated with the Committee.

Editorial criticism of the Government's failure to act clearly reflects a considerable body of public opinion; but the Opposition were not in a

* See THE ROUND TABLE, No. 193, Dec. 1958, p. 91.

† Ibid., No. 197, Dec. 1959, p. 106.

strong position to complain—as they did—of the absence of a firm initiative. Their own years in office had yielded little in the way of reform. Nevertheless, the Hon. J. R. Marshall, the deputy leader of the Opposition, gave a welcome undertaking that during its next term of office the National Party would face liquor law problems in the first year.

Although there is a great deal to be said for a bipartisan approach, it is quite unnecessary at this stage to conduct extensive hearings of evidence before such an approach can be formulated. The licensing question has been under detailed examination in the country for more than half a century—there have been reports, commissions and parliamentary committees before. In particular, the Government have the Report and Proceedings of the Royal Commission on Licensing which the Labour Government set up in January 1945. After extensive hearings throughout New Zealand it produced, nineteen months later, a comprehensive Report of 450 pages, while its record of Proceedings runs into 52 volumes with a total of 7,824 pages. Of the eight members of the Commission five, including the Chairman Sir David Smith, then a judge of the Supreme Court, made a majority report and three submitted minority reports. And yet few of the many significant recommendations made in the majority report were implemented. The three positive advances to emerge were the removal of certain restrictions on the sale of liquor to Maoris, extension of the system of Trust control and the establishment of the Licensing Control Commission. The Control Commission has in a sense continued the work of the Royal Commission and it has done much to overhaul and rationalize the licensing system. It is, however, significant that recently Mr. A. M. Goulding, who had been Chairman of the Control Commission for the ten years since its inception, complained on his retirement that the Government had not adopted any of the major recommendations they continually received from him. The Government, he said, had failed in their duty to the country by sidestepping liquor reform. And this has not been from want of advice from other quarters. In 1957 the Parliamentary Select Committee on the Wine-Making Industry recommended wider granting of wine-sellers' licences and the supply of wines in restaurants, while the Annual Reports of the Police and Justice Departments have pointed out that the present laws are archaic and impossible to enforce.

The Licensing Act 1881, which has been described as the prohibition movement's first big victory, has continued to provide the basis of our licensing system. Amendments over the years have reflected the relative strength at the time of the two main pressure groups—the New Zealand Alliance for the Abolition of the Liquor Traffic, which relies mainly on the support of some of the churches, and the licensed trade. Both the Alliance and the trade have been able to place pressure on all the political parties. In consequence, the existing law represents an uneasy equilibrium between the views of the two groups—the relationship has been more harshly described—and pays little regard to the interests of the public in general or to New Zealand's reputation for good government. A magistrate, who was Chairman of three Licensing Committees, gave in evidence before the Royal Commission an outspoken account of one aspect of the operation of the existing

licensing laws—it is an account which more particularly applies to conditions in the public bars of many metropolitan hotels:

[The licensing laws] are the result of a battle between greed and fanaticism in which the interests of ordinary sensible citizens have been ignored. The outcome is a system under which said citizens drink, cheek by jowl like pigs at a trough, what they are given instead of what they may want, and, like pigs, gulp down more than they need of it while they can get it. . . .

Drinking, under our law and because of it, instead of being a pleasant and respectable aid to social intercourse, has become the subject of idiotic mirth and censorious reproach.*

The consumer's claim to consideration is shown by the fact that in 1958 the average consumption of beer in New Zealand was 21 gallons a head—man, woman or child—and this figure does not take into account other liquors nor the large quantities of wine and, more particularly, beer, which are brewed domestically without legal inhibition.

The 1881 Licensing Act closed hotels all day on Sunday, provided for an elected licensing committee in each licensing district with power to reduce the number of licences, and established a local option procedure which made it impossible to issue new licences in a district without a majority vote of rate-payers. An 1893 Amendment extended this latter procedure to enable a three-fifths' majority at a local poll, held at three-yearly intervals, to carry reduction or prohibition in any district. Avowed prohibitionists were also permitted to sit on licensing committees. These changes ensured that prohibition would continue to be a lively and effective political movement and in the following years a series of districts voted "dry". The trade was not unduly concerned at this development, many of these districts being in suburban areas near the larger cities. The breweries, who were acquiring interests in the city hotels, were able to cater for the suburban clientele with reduced outlay and to remove the more sordid sights of closing time from the residential area. Even today the trade is not pressing for the restoration of licences in the "dry" suburban areas of the big cities.

The National Poll

LED on by their successes at the local polls, the Alliance sought a National Prohibition Poll. At this stage the trade became concerned and, when the National Poll was introduced in 1910, it was able to ensure that the three-fifths' rule that applied in local option polls was retained. And when the requirement of a bare majority was introduced in 1919 the trade was protected by the introduction of a third issue: "State Purchase and Control". This development successfully split the anti-trade vote, but it was only in 1946, the year of the Royal Commission's recommendation that the breweries be acquired by a public corporation, that the third issue acquired any significant share of the votes—it was 20.2 per cent in 1946 and dropped to 14 per cent in 1957. It is a matter for comment that "State Purchase and Control",

* *Notes of Proceedings of the Royal Commission of Licensing*, vol. ii, p. 164. The Group is indebted to Conrad Bollinger, *Grog's Own Country*, Wellington, 1959, for this quotation and for other suggestions.

although a particular form of nationalization, has not at any time received the official backing of the Labour Party. Prohibition support has declined since its really militant days at the turn of the century. Votes cast in favour of national prohibition fell from 47.3 per cent in 1925 to 22.8 per cent in 1957.

During the years of the Alliance's greatest influence a number of legislative steps were taken which have contributed to present-day conditions. Six o'clock closing—it had been 10 o'clock—was introduced as an emergency measure during World War I. At the end of the war it became permanent and it remains the most disturbing feature of our licensing laws. It was the "6 o'clock swill" that the New Zealand magistrate described so vividly; while the early closing hour has been an encouragement to the abuses of after-hour trading. Legislation in 1910 forbidding barmaids, other than those already employed, has helped to coarsen the atmosphere of the bars. The same legislation, supplemented by further provisions in 1917, had the effect of preventing the consumption of liquor in restaurants. More recently, the practice of serving counter lunches in bars has almost ceased to exist, while the establishment over the past few years of some attractive bars and beer gardens does little to mitigate the failure of most licensees to provide their bar patrons with a place to sit. A commentator has said of all this:

Just how comforting the achievement of these objects has been to the trade is self-evident. Liquor alone, without any concomitant amenities, without games, without music, without entertainment, without food . . . served in a bare room without even seats, under conditions where the only thing to do is to booze, and the vertical position and pressure of time contribute to make the customers drink as much as is physically possible in a short time. And since drinking is prohibited everywhere else, anyway publicly in connexion with eating, dancing, or any sort of entertainment, the public has a guaranteed market which can be supplied with the very minimum of trouble and expense.*

The practice of "shouting", under which each member of a "school" has a turn in buying a round of drinks for the whole group, accentuates the whole problem, all the members of the group feel obliged to take their turn before closing-time.

In March 1959 there was a national referendum on a proposal that hotel bars should in future close at 10 p.m. rather than 6 p.m. Ten o'clock closing was defeated by the large majority of 473,768 to 153,850, but these figures are not so decisive as they appear. As with the national poll, a referendum is an unsatisfactory method of obtaining a clear expression of public opinion on a complex issue. Besides, the Labour Government carefully avoided any indication of how a 10 o'clock closing hour would be implemented and thus left many of the voters to fear that an extension of hours merely involved an extension of existing abuses.

Proposals for reform have been made by the Royal Commission and the Licensing Commission. These include a modified National Licensing ballot-paper, licensing hours changed to permit 10 o'clock closing, sale of light liquors with meals in restaurants, exemptions for dancing and entertainments

* Bollinger, *op. cit.*, pp. 72-73.

in approved licensed hotels and for "a reputable dance-hall or cabaret", and seats and the sale of snacks of food in bars. The Licensing Commission has also recommended appointed instead of elected Licensing Committees. A more controversial proposal made by the Royal Commission has been mentioned. It is that a Public Corporation should acquire the breweries and apply the profits to "cultural, philanthropic and recreational purposes".

The success of the Licensing Trusts in providing improved facilities and profits for distribution for local amenities is likely to encourage acceptance of some form of public control. Since it began in 1944, the Invercargill Licensing Trust has distributed £68,360 in profits. Trusts can be established in dry areas voting restoration ("district trusts") and in wet areas granted additional licences by the Licensing Control Commission ("local trusts")—in all cases if the local residents so decide at a poll. A number of the areas concerned have voted for trust control, but the local trusts in particular have found it difficult to obtain the capital necessary to finance construction. Trust projects have, of course, been opposed by the trade, while the National Government showed no disposition to assist local trusts in finding the financial support they needed.

An aspect of the licensing problem of national concern is the provision of satisfactory hotels. The most profitable side of the hotel business is the bar trade and many hotels are not maintaining proper facilities for the travelling public. Reforms must include some formula under which incentives are provided for maintaining high standards of accommodation.

Since World War II increasing abuses, and a wider realization that there are countries in the world in which liquor is used as a social amenity with sanity and restraint, have led to more pressure for reform. There are welcome signs that the church groups which provide the main support for the New Zealand Alliance are modifying their position. The Rev. E. S. Hoddinott, the Chairman of the Wellington Methodist Synod, has admitted that the attitude of the temperance movement has been extremely negative and that it is "too easy to be just plainly censorious". In his view it is necessary to change New Zealand's licensing laws. The 1959 General Assembly of the Presbyterian Church decided to advocate control, although it still opposes any extension of hours or liquor facilities. The mover of the proposal told the Assembly that the traditional approach of the Church was one of total abstinence and prohibition, but that this approach had broken down. "We should stop fighting a rearguard action on prohibition and take issue on the matter of control", he said.

It is unlikely that either political party will be able to resist the pressure for reform much longer. Indeed, a bold approach to the problem could have electoral advantages. The National Party has already committed itself to amendments, but it has not said what its plans are. It remains to be seen whether the Labour Party intends to act before the next election at the end of 1960. If nothing is done there will be many who will wish to make the licensing problem an issue at the next election.

New Zealand,

February 1960.

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